

Senate Study Bill 3267

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON RIELLY)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act allocating revenues to the TIME=21 fund, increasing motor
2 vehicle and trailer registration fees, title fees, and
3 driver's license fees, reallocating certain fees collected by
4 the department of transportation, repealing the use tax on
5 vehicles subject to registration and the use tax on certain
6 leased motor vehicles, establishing a fee for new registration
7 of vehicles, making penalties applicable, and providing
8 effective dates.
9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
10 TL5B 6422XC 82
11 dea/nh/24

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DIVISION I

MOTOR VEHICLE REGISTRATION FEES

1 1 Section 1. Section 312.2, Code Supplement 2007, is amended
1 2 by adding the following new subsection:

1 3 NEW SUBSECTION. 19. a. The treasurer of state, before
1 4 making the allotments provided for in this section, shall
1 5 credit annually to the TIME=21 fund created in section 312A.2,
1 6 the revenue accruing to the road use tax fund from motor
1 7 vehicle registration fees for passenger cars, multipurpose
1 8 vehicles, and motor trucks in excess of three hundred
1 9 forty=six million dollars annually.

1 10 b. This subsection is repealed June 30, 2028.

1 11 Sec. 2. Section 321.1, Code 2007, is amended by adding the
1 12 following new subsection:

1 13 NEW SUBSECTION. 7A. "Business=trade truck" means a motor
1 14 truck with an unladen weight of ten thousand pounds or less
1 15 that is any of the following:

1 16 a. Owned, leased, or used by a person who files a schedule
1 17 C or schedule F form with the federal internal revenue
1 18 service.

1 19 b. Eligible for depreciation under section 167 of the
1 20 Internal Revenue Code.

1 21 c. Owned, leased, or used by a person engaged in a
1 22 business or trade and regularly used to haul supplies, trade
1 23 tools, equipment, merchandise, or freight for that business or
1 24 trade.

1 25 d. Owned, leased, or used by a person who is engaged in
1 26 the production of farm products, including but not limited to
1 27 crops, energy, livestock, or poultry, equal in value to more
1 28 than one thousand dollars annually.

1 29 Sec. 3. Section 321.109, subsection 1, paragraph a, Code
1 30 2007, is amended to read as follows:

1 31 a. The annual fee for all motor vehicles including
1 32 vehicles designated by manufacturers as station wagons, ~~and~~
1 33 1993 and subsequent model ~~years for year~~ multipurpose
2 1 vehicles, ~~and 2010 and subsequent model year motor trucks with~~

~~2 2 an unladen weight of ten thousand pounds or less, except motor~~
2 3 trucks ~~registered under section 321.122, business=trade~~

~~2 4 trucks, special trucks, motor homes, ambulances, hearses,~~
2 5 motorcycles, motorized bicycles, and 1992 and older model
2 6 ~~years for year~~ multipurpose vehicles, shall be equal to one
2 7 percent of the value as fixed by the department plus forty
2 8 cents for each one hundred pounds or fraction thereof of
2 9 weight of vehicle, as fixed by the department. The weight of
2 10 a motor vehicle, fixed by the department for registration
2 11 purposes, shall include the weight of a battery, heater,
2 12 bumpers, spare tire, and wheel. Provided, however, that for

2 13 any new vehicle purchased in this state by a nonresident for
2 14 removal to the nonresident's state of residence the purchaser
2 15 may make application to the county treasurer in the county of
2 16 purchase for a transit plate for which a fee of ten dollars
2 17 shall be paid. And provided, however, that for any used
2 18 vehicle held by a registered dealer and not currently
2 19 registered in this state, or for any vehicle held by an
2 20 individual and currently registered in this state, when
2 21 purchased in this state by a nonresident for removal to the
2 22 nonresident's state of residence, the purchaser may make
2 23 application to the county treasurer in the county of purchase
2 24 for a transit plate for which a fee of three dollars shall be
2 25 paid. The county treasurer shall issue a nontransferable
2 26 certificate of registration for which no refund shall be
2 27 allowed; and the transit plates shall be void thirty days
2 28 after issuance. Such purchaser may apply for a certificate of
2 29 title by surrendering the manufacturer's or importer's
2 30 certificate or certificate of title, duly assigned as provided
2 31 in this chapter. In this event, the treasurer in the county
2 32 of purchase shall, when satisfied with the genuineness and
2 33 regularity of the application, and upon payment of a fee of
2 34 ten dollars, issue a certificate of title in the name and
2 35 address of the nonresident purchaser delivering the title to
3 1 the owner. If there is a security interest noted on the
3 2 title, the county treasurer shall mail to the secured party an
3 3 acknowledgment of the notation of the security interest. The
3 4 county treasurer shall not release a security interest that
3 5 has been noted on a title issued to a nonresident purchaser as
3 6 provided in this paragraph. The application requirements of
3 7 section 321.20 apply to a title issued as provided in this
3 8 subsection, except that a natural person who applies for a
3 9 certificate of title shall provide either the person's social
3 10 security number, passport number, or driver's license number,
3 11 whether the license was issued by this state, another state,
3 12 or another country. The provisions of this subsection
3 13 relating to multipurpose vehicles are effective ~~January 1,~~
3 14 ~~1993~~, for all 1993 and subsequent model years. The annual
3 15 registration fee for multipurpose vehicles that are 1992 model
3 16 years and older shall be in accordance with section 321.124.

3 17 Sec. 4. Section 321.113, Code 2007, is amended to read as
3 18 follows:

3 19 321.113 AUTOMATIC REDUCTION.

3 20 1. The annual registration fee for a motor vehicle shall
3 21 not be automatically reduced under this section unless the
3 22 ~~registration~~ fee is based on the value and weight of the motor
3 23 vehicle as provided in section 321.109, subsection 1.

3 24 2. If a motor vehicle is more than ~~five seven~~ model years
3 25 old, the part of the registration fee that is based on the
3 26 value of the vehicle shall be seventy-five percent of the rate
3 27 as fixed when the motor vehicle was new and the total fee
3 28 shall not be less than fifty dollars; except that if the
3 29 vehicle has been titled in the same person's name since the
3 30 vehicle was new or the title to the vehicle was transferred
3 31 prior to January 1, 2009, the registration fee shall not be
3 32 more than the fee paid for the previous registration year.

3 33 3. If a motor vehicle is more than ~~six nine~~ model years
3 34 old, the part of the registration fee that is based on the
3 35 value of the vehicle shall be fifty percent of the rate as
4 1 fixed when the motor vehicle was new and the total fee shall
4 2 not be less than fifty dollars; except that if the vehicle has
4 3 been titled in the same person's name since the vehicle was
4 4 new or the title to the vehicle was transferred prior to
4 5 January 1, 2009, the registration fee shall not be more than
4 6 the fee paid for the previous registration year.

4 7 ~~4. If a 1994 model year or newer motor vehicle is nine~~
4 8 ~~model years old or older the registration fee is thirty-five~~
4 9 ~~dollars. For purposes of determining the portion of the~~
4 10 ~~registration fee under this subsection that is based upon the~~
4 11 ~~value of the motor vehicle, sixty percent of the registration~~
4 12 ~~fee is attributable to the value of the vehicle.~~

4 13 ~~5. a. If a 1993 model year or older motor vehicle has~~
4 14 ~~been titled in the same person's name since the vehicle was~~
4 15 ~~new or the title to the vehicle was transferred prior to~~
4 16 ~~January 1, 2002, the part of the registration fee that is~~
4 17 ~~based on the value of the vehicle shall be ten percent of the~~
4 18 ~~rate as fixed when the motor vehicle was new.~~

4 19 ~~b. If the title of a 1993 model year or older motor~~
4 20 ~~vehicle is transferred to a new owner or if such a motor~~
4 21 ~~vehicle is brought into the state on or after January 1, 2002,~~
4 22 ~~the registration fee shall not be based on the weight and list~~
4 23 ~~price of the motor vehicle, but shall be as follows:~~

4 24 (1) For a motor vehicle that is model year
 4 25 1969 or older:..... \$ 16.00
 4 26 (2) For a motor vehicle that is model year
 4 27 1970 through 1989:..... \$ 23.00
 4 28 (3) For a motor vehicle that is model year
 4 29 1990 through 1993:..... \$ 27.00

4 30 For purposes of determining the portion of the registration
 4 31 fee under this paragraph "b" that is based upon the value of
 4 32 the motor vehicle, sixty percent of the registration fee is
 4 33 attributable to the value of the vehicle.

4 34 4. a. Except as provided in paragraph "b", if a motor
 4 35 vehicle is twelve model years old or older, the registration
 5 1 fee is fifty dollars; except that if the vehicle has been
 5 2 titled in the same person's name since the vehicle was new or
 5 3 the title to the vehicle was transferred prior to January 1,
 5 4 2009, the registration fee shall not be more than the fee paid
 5 5 for the previous registration year.

5 6 b. If a motor vehicle was registered as an antique vehicle
 5 7 pursuant to section 321.115 prior to January 1, 2009, and
 5 8 either the motor vehicle has been titled in the same person's
 5 9 name since the vehicle was new or the title to the vehicle was
 5 10 transferred prior to January 1, 2009, the registration fee
 5 11 shall be twenty-three dollars for a motor vehicle that is
 5 12 model year 1970 through 1983 and sixteen dollars for a motor
 5 13 vehicle that is model year 1969 or older.

5 14 c. For purposes of determining the portion of a
 5 15 registration fee under paragraph "a" or "b" that is based upon
 5 16 the value of the motor vehicle, sixty percent of the
 5 17 registration fee is attributable to the value of the vehicle.

5 18 Sec. 5. NEW SECTION. 321.120 BUSINESS=TRADE TRUCKS.

5 19 1. The annual registration fee for a business=trade truck
 5 20 shall be determined pursuant to section 321.122, subsection 1,
 5 21 paragraph "a" or "b".

5 22 2. Upon application for a new registration, an owner who
 5 23 registers a motor vehicle as a business=trade truck shall be
 5 24 required to provide proof or certify by signed affidavit that
 5 25 the vehicle meets the definition of a business=trade truck.
 5 26 The department may adopt rules as necessary to prescribe the
 5 27 documentation required as proof or certification under this
 5 28 subsection.

5 29 3. If the department determines by audit or other means
 5 30 that a person has registered a vehicle as a business=trade
 5 31 truck that is not qualified for such registration, the person
 5 32 may be required to pay regular registration fees applicable to
 5 33 the vehicle under section 321.109 or 321.113, in addition to
 5 34 any other penalty or sanction imposed by law.

5 35 Sec. 6. Section 321.121, Code 2007, is amended to read as
 6 1 follows:

6 2 321.121 SPECIAL TRUCKS FOR FARM USE.

6 3 1. a. The annual registration fee for a special truck
 6 4 shall be ~~eighty one hundred~~ dollars for a gross weight of six
 6 5 tons, ~~one hundred dollars~~ for a gross weight of seven tons,
 6 6 ~~one hundred twenty dollars~~ for a gross weight of eight tons,
 6 7 ~~and in addition, fifteen dollars for each ton over eight tons~~
 6 8 ~~and not exceeding eighteen tons.~~

6 9 b. The annual registration fee for a special truck with a
 6 10 gross weight exceeding six tons but not exceeding eighteen
 6 11 tons shall be as follows:

6 12	6 13 For a gross	And not	The annual
6 14 weight exceeding:	exceeding:	exceeding:	registration
			fee shall be:
6 15 6 Tons	7 Tons		\$ 125
6 16 7 Tons	8 Tons		\$ 155
6 17 8 Tons	9 Tons		\$ 170
6 18 9 Tons	10 Tons		\$ 190
6 19 10 Tons	11 Tons		\$ 205
6 20 11 Tons	12 Tons		\$ 225
6 21 12 Tons	13 Tons		\$ 245
6 22 13 Tons	14 Tons		\$ 265
6 23 14 Tons	15 Tons		\$ 280
6 24 15 Tons	16 Tons		\$ 295
6 25 16 Tons	17 Tons		\$ 305
6 26 17 Tons	18 Tons		\$ 315

6 27 c. The registration fee for a special truck with a gross
 6 28 weight registration exceeding eighteen tons but not exceeding
 6 29 nineteen tons shall be three hundred twenty-five dollars and
 6 30 for a gross weight registration exceeding nineteen tons but
 6 31 not exceeding twenty tons the registration fee shall be three
 6 32 hundred seventy-five dollars.

6 33 d. The additional registration fee for a special truck for
 6 34 a gross weight registration in excess of twenty tons is

6 35 twenty-five dollars for each ton over twenty tons and not
 7 1 exceeding thirty-two tons.
 7 2 2. A person convicted of or found by audit to be using a
 7 3 motor vehicle registered as a special truck for any purpose
 7 4 other than permitted by section 321.1, subsection 76, shall,
 7 5 in addition to any other penalty imposed by law, be required
 7 6 to pay regular motor vehicle registration fees upon such motor
 7 7 vehicle.

7 8 Sec. 7. Section 321.122, subsection 1, Code 2007, is
 7 9 amended to read as follows:

7 10 1. The annual registration fee for truck tractors, road
 7 11 tractors, and motor trucks, except 2010 and subsequent model
 7 12 year motor trucks required to be registered under section
 7 13 321.109 and motor trucks registered as special trucks, shall
 7 14 be based on the combined gross weight of the vehicle or
 7 15 combination of vehicles. All such trucks, truck tractors, or
 7 16 road tractors registered under this section shall be
 7 17 registered for a gross weight equal to or in excess of the
 7 18 unladen weight of the vehicle or combination of vehicles. The
 7 19 annual registration fee for such vehicles or combination of
 7 20 vehicles, except special trucks, shall be:

7 21 a. ~~For a combined gross weight of three tons or less~~
~~7 22 sixty-five dollars and a vehicle which is more than ten model~~
~~7 23 years old fifty-five dollars and a vehicle which is more than~~
~~7 24 thirteen model years old forty-five dollars and a vehicle~~
~~7 25 which is more than fifteen years old thirty-five dollars.~~

7 26 b. ~~For a combined gross weight exceeding three tons,~~
~~7 27 Except as provided in paragraph "b", the annual registration~~
~~7 28 fee for a combined gross weight of four tons or less shall be~~
~~7 29 one hundred fifty dollars and the annual registration fee for~~
~~7 30 a combined gross weight exceeding four tons shall be as set~~

7 31 forth in the following schedule:

7 32 For a combined	And not	The annual
7 33 gross weight	exceeding:	registration
7 34 exceeding:		fee shall be:
7 35 3 Tons	4 Tons	\$ 80
8 1 4 Tons	5 Tons	\$ 90
8 2		<u>160</u>
8 3 5 Tons	6 Tons	\$ 105
8 4		<u>170</u>
8 5 6 Tons	7 Tons	\$ 130
8 6		<u>180</u>
8 7 7 Tons	8 Tons	\$ 165
8 8		<u>190</u>
8 9 8 Tons	9 Tons	\$ 200
8 10 9 Tons	10 Tons	\$ 235
8 11 10 Tons	11 Tons	\$ 270
8 12 11 Tons	12 Tons	\$ 305
8 13 12 Tons	13 Tons	\$ 340
8 14 13 Tons	14 Tons	\$ 375
8 15 14 Tons	15 Tons	\$ 445
8 16 15 Tons	16 Tons	\$ 485
8 17 16 Tons	17 Tons	\$ 525
8 18 17 Tons	18 Tons	\$ 565
8 19 18 Tons	19 Tons	\$ 610
8 20 19 Tons	20 Tons	\$ 675
8 21 20 Tons	21 Tons	\$ 715
8 22 21 Tons	22 Tons	\$ 755
8 23 22 Tons	23 Tons	\$ 795
8 24 23 Tons	24 Tons	\$ 835
8 25 24 Tons	25 Tons	\$ 965
8 26 25 Tons	26 Tons	\$1,010
8 27 26 Tons	27 Tons	\$1,060
8 28 27 Tons	28 Tons	\$1,105
8 29 28 Tons	29 Tons	\$1,150
8 30 29 Tons	30 Tons	\$1,200
8 31 30 Tons	31 Tons	\$1,245
8 32 31 Tons	32 Tons	\$1,295
8 33 32 Tons	33 Tons	\$1,340
8 34 33 Tons	34 Tons	\$1,415
8 35 34 Tons	35 Tons	\$1,465
9 1 35 Tons	36 Tons	\$1,510
9 2 36 Tons	37 Tons	\$1,555
9 3 37 Tons	38 Tons	\$1,605
9 4 38 Tons	39 Tons	\$1,650
9 5 39 Tons	40 Tons	\$1,695

9 6 b. For a combined gross weight of eight tons or less, if
 9 7 the motor vehicle has been titled in the same person's name
 9 8 since the motor vehicle was new or the title to the motor
 9 9 vehicle was transferred prior to January 1, 2009, the
 9 10 following applies:

9 11 (1) For a combined gross weight of three tons or less, the
9 12 annual registration fee shall be the same as the fee paid by
9 13 the owner of the motor vehicle for the previous registration
9 14 year, which shall be sixty-five dollars or less.

9 15 (2) For a combined gross weight exceeding three tons but
9 16 not exceeding eight tons, the annual registration fee shall be
9 17 as set forth in the following schedule:

9 18 For a combined	And not	The annual
9 19 gross weight	exceeding:	registration
9 20 exceeding:		fee shall be:
9 21 3 Tons	4 Tons	\$ 80
9 22 4 Tons	5 Tons	\$ 90
9 23 5 Tons	6 Tons	\$ 105
9 24 6 Tons	7 Tons	\$ 130
9 25 7 Tons	8 Tons	\$ 165

9 26 c. For a combined gross weight exceeding forty tons, the
9 27 annual registration fee shall be one thousand six hundred
9 28 ninety-five dollars plus eighty dollars for each ton over
9 29 forty tons.

9 30 Sec. 8. EFFECTIVE DATE AND APPLICABILITY. This division
9 31 of this Act takes effect January 1, 2009, and applies to
9 32 vehicles registered for registration years beginning in 2009
9 33 and subsequent years.

9 34 DIVISION II

9 35 DRIVER'S LICENSE FEES

10 1 Sec. 9. Section 312.2, Code Supplement 2007, is amended by
10 2 adding the following new subsection:

10 3 NEW SUBSECTION. 19. a. The treasurer of state, before
10 4 making the allotments provided for in this section, shall
10 5 credit monthly to the TIME=21 fund created in section 312A.2
10 6 an amount equal to the portion of fees collected from the
10 7 issuance of driver's licenses pursuant to section 321.191 as
10 8 follows:

10 9 (1) For each noncommercial driver's license, three dollars
10 10 per year of license validity.

10 11 (2) For each chauffer's license, five dollars per year of
10 12 license validity.

10 13 (3) For each commercial driver's license, five dollars per
10 14 year of license validity.

10 15 (4) From the additional fee collected for each license
10 16 valid for the operation of a motorcycle, one dollar per year
10 17 of license validity.

10 18 b. This subsection is repealed June 30, 2028.

10 19 Sec. 10. Section 321.191, subsections 2, 3, 4, and 5, Code
10 20 2007, are amended to read as follows:

10 21 2. NONCOMMERCIAL DRIVER'S LICENSES. The fee for a
10 22 noncommercial driver's license, other than a class D driver's
10 23 license or any type of instruction permit, is ~~four~~ seven
10 24 dollars per year of license validity.

10 25 3. LICENSES FOR CHAUFFEURS. The fee for a noncommercial
10 26 class D driver's license is ~~eight~~ thirteen dollars per year of
10 27 license validity.

10 28 4. COMMERCIAL DRIVER'S LICENSES. The fee for a commercial
10 29 driver's license, other than an instruction permit, for the
10 30 operation of a commercial motor vehicle is ~~eight~~ thirteen
10 31 dollars per year of license validity.

10 32 5. LICENSES VALID FOR MOTORCYCLES. An additional fee of
10 33 ~~one dollar~~ two dollars per year of license validity is
10 34 required to issue a license valid to operate a motorcycle.

10 35 DIVISION III

11 1 TITLE FEES

11 2 Sec. 11. Section 312.2, Code Supplement 2007, is amended
11 3 by adding the following new subsection:

11 4 NEW SUBSECTION. 20. a. The treasurer of state, before
11 5 making the allotments provided for in this section, shall
11 6 credit monthly to the TIME=21 fund created in section 312A.2,
11 7 an amount equal to ten dollars from each fee for issuance of a
11 8 certificate of title collected pursuant to sections 321.20;
11 9 321.20A; 321.23; 321.42; 321.46, other than a title issued for
11 10 a returned vehicle under section 322G.12; section 321.47; and
11 11 section 321.109 and an amount equal to eight dollars from each
11 12 fee collected for issuance of a certificate of title pursuant
11 13 to section 321.46 for a returned vehicle under section 322G.12
11 14 and from each fee collected for issuance of a salvage
11 15 certificate of title pursuant to section 321.52.

11 16 b. This subsection is repealed June 30, 2028.

11 17 Sec. 12. Section 321.20, subsection 1, unnumbered
11 18 paragraph 1, Code 2007, is amended to read as follows:

11 19 Except as provided in this chapter, an owner of a vehicle
11 20 subject to registration shall make application to the county
11 21 treasurer of the county of the owner's residence, or if a

11 22 nonresident, to the county treasurer of the county where the
11 23 primary users of the vehicle are located, or if a lessor of
11 24 the vehicle pursuant to chapter 321F which vehicle has a gross
11 25 vehicle weight of less than ten thousand pounds, to the county
11 26 treasurer of the county of the lessee's residence, or if a
11 27 firm, association, or corporation with vehicles in multiple
11 28 counties, the owner may make application to the county
11 29 treasurer of the county where the primary user of the vehicle
11 30 is located, for the registration and issuance of a certificate
11 31 of title for the vehicle upon the appropriate form furnished
11 32 by the department. However, upon the transfer of ownership,
11 33 the owner of a vehicle subject to the proportional
11 34 registration provisions of chapter 326 shall make application
11 35 for registration and issuance of a certificate of title to
12 1 either the department or the appropriate county treasurer.
12 2 The application shall be accompanied by a fee of ~~ten~~ twenty
12 3 dollars, and shall bear the owner's signature. A nonresident
12 4 owner of two or more vehicles subject to registration may make
12 5 application for registration and issuance of a certificate of
12 6 title for all vehicles subject to registration to the county
12 7 treasurer of the county where the primary user of any of the
12 8 vehicles is located. The owner of a mobile home or
12 9 manufactured home shall make application for a certificate of
12 10 title under this section from the county treasurer of the
12 11 county where the mobile home or manufactured home is located.
12 12 The application shall contain:

12 13 Sec. 13. Section 321.20A, subsection 1, Code 2007, is
12 14 amended to read as follows:

12 15 1. Notwithstanding other provisions of this chapter, the
12 16 owner of a commercial vehicle subject to the proportional
12 17 registration provisions of chapter 326 may make application to
12 18 the department or the appropriate county treasurer for a
12 19 certificate of title. The application for certificate of
12 20 title shall be made within thirty days of purchase or transfer
12 21 and shall be accompanied by a ~~ten~~ twenty dollar title fee and
12 22 the appropriate use tax. The department or the county
12 23 treasurer shall deliver the certificate of title to the owner
12 24 if there is no security interest. If there is a security
12 25 interest, the title, when issued, shall be delivered to the
12 26 first secured party. Delivery may be made using electronic
12 27 means.

12 28 Sec. 14. Section 321.23, subsections 1 and 4, Code 2007,
12 29 are amended to read as follows:

12 30 1. If the vehicle to be registered is a specially
12 31 constructed, reconstructed, or foreign vehicle, such fact
12 32 shall be stated in the application. A fee of ~~ten~~ twenty
12 33 dollars shall be paid by the person making the application
12 34 upon issuance of a certificate of title by the county
12 35 treasurer. For a specially constructed or reconstructed motor
13 1 vehicle subject to registration, the application shall be
13 2 accompanied by a statement from the department authorizing the
13 3 motor vehicle to be titled and registered in this state. The
13 4 department shall cause a physical inspection to be made of all
13 5 specially constructed or reconstructed motor vehicles, upon
13 6 application for a certificate of title by the owner, to
13 7 determine whether the motor vehicle complies with the
13 8 definition of specially constructed motor vehicle or
13 9 reconstructed motor vehicle in this chapter and to determine
13 10 that the integral component parts are properly identified and
13 11 that the rightful ownership is established before issuing the
13 12 owner the authority to have the motor vehicle registered and
13 13 titled. The purpose of the physical inspection under this
13 14 section is not to determine whether the motor vehicle is in a
13 15 condition safe to operate. The owner of a specially
13 16 constructed or reconstructed vehicle shall apply for a
13 17 certificate of title and registration for the vehicle at the
13 18 county treasurer's office within thirty days of the
13 19 inspection. For a foreign vehicle which has been registered
13 20 outside this state, the owner shall surrender to the treasurer
13 21 all registration plates, registration cards, and certificates
13 22 of title, or if the vehicle to be registered is from a
13 23 nontitle state, the evidence of foreign registration and
13 24 ownership as may be prescribed by the department except as
13 25 provided in subsection 2.

13 26 4. A vehicle which does not meet the equipment
13 27 requirements of this chapter due to the particular use for
13 28 which it is designed or intended, may be registered by the
13 29 department upon payment of appropriate fees and after
13 30 inspection and certification by the department that the
13 31 vehicle is not in an unsafe condition. A person is not
13 32 required to have a certificate of title to register a vehicle

13 33 under this subsection. If the owner elects to have a
13 34 certificate of title issued for the vehicle, a fee of ~~ten~~
13 35 twenty dollars shall be paid by the person making the
14 1 application upon issuance of a certificate of title. If the
14 2 department's inspection reveals that the vehicle may be safely
14 3 operated only under certain conditions or on certain types of
14 4 roadways, the department may restrict the registration to
14 5 limit operation of the vehicle to the appropriate conditions
14 6 or roadways. This subsection does not apply to snowmobiles as
14 7 defined in section 321G.1. Section 321.382 does not apply to
14 8 a vehicle registered under this subsection which is operated
14 9 exclusively by a person with a disability who has obtained a
14 10 persons with disabilities parking permit as provided in
14 11 section 321L.2, if the persons with disabilities parking
14 12 permit is carried in or on the vehicle and shown to a peace
14 13 officer on request.

14 14 Sec. 15. Section 321.42, subsection 2, paragraph a, Code
14 15 2007, is amended to read as follows:

14 16 a. If a certificate of title is lost or destroyed, the
14 17 owner or lienholder shall apply for a replacement copy of the
14 18 original certificate of title. The owner or lienholder of a
14 19 motor vehicle may also apply for a replacement copy of the
14 20 original certificate of title upon surrender of the original
14 21 certificate of title with the application. The application
14 22 shall be made to the department or county treasurer who issued
14 23 the original certificate of title. The application shall be
14 24 signed by the owner or lienholder and accompanied by a fee of
14 25 ~~ten~~ twenty dollars.

14 26 Sec. 16. Section 321.46, subsection 2, Code 2007, is
14 27 amended to read as follows:

14 28 2. Upon filing the application for a new registration and
14 29 a new title, the applicant shall pay a title fee of ~~ten~~ twenty
14 30 dollars and a registration fee prorated for the remaining
14 31 unexpired months of the registration year. A manufacturer
14 32 applying for a certificate of title pursuant to section
14 33 322G.12 shall pay a title fee of ~~two~~ ten dollars. However, a
14 34 title fee shall not be charged to a manufactured or mobile
15 1 home retailer applying for a certificate of title for a used
15 2 mobile home or manufactured home, titled in Iowa, as required
15 3 under section 321.45, subsection 4. The county treasurer, if
15 4 satisfied of the genuineness and regularity of the
15 5 application, and in the case of a mobile home or manufactured
15 6 home, that taxes are not owing under chapter 435, and that
15 7 applicant has complied with all the requirements of this
15 8 chapter, shall issue a new certificate of title and, except
15 9 for a mobile home, manufactured home, or a vehicle returned to
15 10 and accepted by a manufacturer as described in section
15 11 322G.12, a registration card to the purchaser or transferee,
15 12 shall cancel the prior registration for the vehicle, and shall
15 13 forward the necessary copies to the department on the date of
15 14 issuance, as prescribed in section 321.24. Mobile homes or
15 15 manufactured homes titled under chapter 448 that have been
15 16 subject under section 446.18 to a public bidder sale in a
15 17 county shall be titled in the county's name, with no fee, and
15 18 the county treasurer shall issue the title.

15 19 Sec. 17. Section 321.47, unnumbered paragraph 1, Code
15 20 2007, is amended to read as follows:

15 21 If ownership of a vehicle is transferred by operation of
15 22 law upon inheritance, devise or bequest, dissolution decree,
15 23 order in bankruptcy, insolvency, replevin, foreclosure or
15 24 execution sale, abandoned vehicle sale, or when the engine of
15 25 a motor vehicle is replaced by another engine, or a vehicle is
15 26 sold or transferred to satisfy an artisan's lien as provided
15 27 in chapter 577, a landlord's lien as provided in chapter 570,
15 28 a storage lien as provided in chapter 579, a judgment in an
15 29 action for abandonment of a manufactured or mobile home as
15 30 provided in chapter 555B, upon presentation of an affidavit
15 31 relating to the disposition of a valueless mobile, modular, or
15 32 manufactured home as provided in chapter 555C, or repossession
15 33 is had upon default in performance of the terms of a security
15 34 agreement, the county treasurer in the transferee's county of
15 35 residence or, in the case of a mobile home or manufactured
16 1 home, the county treasurer of the county where the mobile home
16 2 or manufactured home is located, upon the surrender of the
16 3 prior certificate of title or the manufacturer's or importer's
16 4 certificate, or when that is not possible, upon presentation
16 5 of satisfactory proof to the county treasurer of ownership and
16 6 right of possession to the vehicle and upon payment of a fee
16 7 of ~~ten~~ twenty dollars and the presentation of an application
16 8 for registration and certificate of title, may issue to the
16 9 applicant a registration card for the vehicle and a

16 9 certificate of title to the vehicle. A person entitled to
16 10 ownership of a vehicle under a decree of dissolution shall
16 11 surrender a reproduction of a certified copy of the
16 12 dissolution and upon fulfilling the other requirements of this
16 13 chapter is entitled to a certificate of title and registration
16 14 receipt issued in the person's name.

16 15 Sec. 18. Section 321.52, subsection 4, paragraph a, Code
16 16 Supplement 2007, is amended to read as follows:

16 17 a. A vehicle rebuilder or a person engaged in the business
16 18 of buying, selling, or exchanging vehicles of a type required
16 19 to be registered in this state, upon acquisition of a wrecked
16 20 or salvage vehicle, shall surrender the certificate of title
16 21 or manufacturer's or importer's statement of origin properly
16 22 assigned, together with an application for a salvage
16 23 certificate of title, to the county treasurer of the county of
16 24 residence of the purchaser or transferee within thirty days
16 25 after the date of assignment of the certificate of title for
16 26 the wrecked or salvage motor vehicle. This subsection applies
16 27 only to vehicles with a fair market value of five hundred
16 28 dollars or more, based on the value before the vehicle became
16 29 wrecked or salvage. Upon payment of a fee of ~~two~~ ten dollars,
16 30 the county treasurer shall issue a salvage certificate of
16 31 title which shall bear the word "SALVAGE" stamped or printed
16 32 on the face of the title in a manner prescribed by the
16 33 department. A salvage certificate of title may be assigned to
16 34 an educational institution, a new motor vehicle dealer
16 35 licensed under chapter 322, a person engaged in the business
17 1 of purchasing bodies, parts of bodies, frames or component
17 2 parts of vehicles for sale as scrap metal, a salvage pool, or
17 3 an authorized vehicle recycler licensed under chapter 321H.
17 4 An authorized vehicle recycler licensed under chapter 321H or
17 5 a new motor vehicle dealer licensed under chapter 322 may
17 6 assign or reassign an Iowa salvage certificate of title or a
17 7 salvage certificate of title from another state to any person,
17 8 and the provisions of section 321.24, subsection 5, requiring
17 9 issuance of an Iowa salvage certificate of title shall not
17 10 apply. A vehicle on which ownership has transferred to an
17 11 insurer of the vehicle as a result of a settlement with the
17 12 owner of the vehicle arising out of damage to, or unrecovered
17 13 theft of, the vehicle shall be deemed to be a wrecked or
17 14 salvage vehicle and the insurer shall comply with this
17 15 subsection to obtain a salvage certificate of title within
17 16 thirty days after the date of assignment of the certificate of
17 17 title of the vehicle.

17 18 Sec. 19. Section 321.109, subsection 1, paragraph a, Code
17 19 2007, is amended to read as follows:

17 20 a. The annual fee for all motor vehicles including
17 21 vehicles designated by manufacturers as station wagons, and
17 22 1993 and subsequent model years for multipurpose vehicles,
17 23 except motor trucks, motor homes, ambulances, hearses,
17 24 motorcycles, motorized bicycles, and 1992 and older model
17 25 years for multipurpose vehicles, shall be equal to one percent
17 26 of the value as fixed by the department plus forty cents for
17 27 each one hundred pounds or fraction thereof of weight of
17 28 vehicle, as fixed by the department. The weight of a motor
17 29 vehicle, fixed by the department for registration purposes,
17 30 shall include the weight of a battery, heater, bumpers, spare
17 31 tire, and wheel. Provided, however, that for any new vehicle
17 32 purchased in this state by a nonresident for removal to the
17 33 nonresident's state of residence the purchaser may make
17 34 application to the county treasurer in the county of purchase
17 35 for a transit plate for which a fee of ten dollars shall be
18 1 paid. And provided, however, that for any used vehicle held
18 2 by a registered dealer and not currently registered in this
18 3 state, or for any vehicle held by an individual and currently
18 4 registered in this state, when purchased in this state by a
18 5 nonresident for removal to the nonresident's state of
18 6 residence, the purchaser may make application to the county
18 7 treasurer in the county of purchase for a transit plate for
18 8 which a fee of three dollars shall be paid. The county
18 9 treasurer shall issue a nontransferable certificate of
18 10 registration for which no refund shall be allowed; and the
18 11 transit plates shall be void thirty days after issuance. Such
18 12 purchaser may apply for a certificate of title by surrendering
18 13 the manufacturer's or importer's certificate or certificate of
18 14 title, duly assigned as provided in this chapter. In this
18 15 event, the treasurer in the county of purchase shall, when
18 16 satisfied with the genuineness and regularity of the
18 17 application, and upon payment of a fee of ~~ten~~ twenty dollars,
18 18 issue a certificate of title in the name and address of the
18 19 nonresident purchaser delivering the title to the owner. If

18 20 there is a security interest noted on the title, the county
18 21 treasurer shall mail to the secured party an acknowledgment of
18 22 the notation of the security interest. The county treasurer
18 23 shall not release a security interest that has been noted on a
18 24 title issued to a nonresident purchaser as provided in this
18 25 paragraph. The application requirements of section 321.20
18 26 apply to a title issued as provided in this subsection, except
18 27 that a natural person who applies for a certificate of title
18 28 shall provide either the person's social security number,
18 29 passport number, or driver's license number, whether the
18 30 license was issued by this state, another state, or another
18 31 country. The provisions of this subsection relating to
18 32 multipurpose vehicles are effective January 1, 1993, for all
18 33 1993 and subsequent model years. The annual registration fee
18 34 for multipurpose vehicles that are 1992 model years and older
18 35 shall be in accordance with section 321.124.

19 1 DIVISION IV

19 2 TRAILER REGISTRATION FEES

19 3 Sec. 20. Section 312.2, Code Supplement 2007, is amended
19 4 by adding the following new subsection:

19 5 NEW SUBSECTION. 21. a. The treasurer of state, before
19 6 making the allotments provided for in this section, shall
19 7 credit monthly to the TIME=21 fund created in section 312A.2
19 8 an amount equal to ten dollars from each trailer registration
19 9 fee collected pursuant to section 321.123, subsection 1,
19 10 paragraph "a", subparagraph (1), and twenty dollars from each
19 11 trailer registration fee collected pursuant to section
19 12 321.123, subsection 1, paragraph "a", subparagraph (2).

19 13 b. This subsection is repealed June 30, 2028.

19 14 Sec. 21. Section 321.122, subsection 2, Code 2007, is
19 15 amended by striking the subsection.

19 16 Sec. 22. Section 321.123, Code 2007, is amended to read as
19 17 follows:

19 18 321.123 TRAILERS.

19 19 1. a. All trailers except farm trailers, mobile homes,
19 20 and manufactured homes, unless otherwise provided in this
19 21 section, are subject to a registration fee ~~of ten dollars.~~ as
19 22 follows:

19 23 (1) For trailers with an empty weight of two thousand
19 24 pounds or less, the annual registration fee is twenty dollars.

19 25 (2) For trailers with an empty weight in excess of two
19 26 thousand pounds, the annual registration fee is thirty
19 27 dollars.

19 28 b. Trailers for which the empty weight is two thousand
19 29 pounds or less are exempt from the certificate of title and
19 30 lien provisions of this chapter.

19 31 c. For trailers and semitrailers licensed under chapter
19 32 326, the annual registration fee for the permanent
19 33 registration plate shall be the applicable fee under paragraph
19 34 "a". The registration fees for a permanent registration
19 35 plate, at the option of the registrant, shall be remitted to
20 1 the department at five-year intervals or on an annual basis.

20 2 Fees collected under this section shall not be reduced or
20 3 prorated under chapter 326.

20 4 ~~1-~~ 2. a. Travel trailers and fifth-wheel travel trailers,
20 5 except those in manufacturer's or dealer's stock, shall be
20 6 subject to an annual fee of twenty cents per square foot of
20 7 floor space computed on the exterior overall measurements, but
20 8 excluding three feet occupied by any trailer hitch as provided
20 9 by and certified to by the owner, to the nearest whole dollar.
20 10 When a travel trailer or fifth-wheel travel trailer is
20 11 registered in Iowa for the first time or when title is
20 12 transferred, the annual fee shall be prorated on a monthly
20 13 basis. The annual fee shall be reduced to seventy-five
20 14 percent of the full fee after the vehicle is more than six
20 15 model years old.

20 16 b. A travel trailer may be stored under section 321.134,
20 17 provided the travel trailer is not used for human habitation
20 18 for any period during storage and is not moved upon the
20 19 highways of the state. A travel trailer stored under section
20 20 321.134 is not subject to a manufactured or mobile home tax
20 21 assessed under chapter 435.

20 22 ~~2-~~ 3. Motor trucks or truck tractors pulling trailers or
20 23 semitrailers shall be registered for the combined gross weight
20 24 of the motor truck or truck tractor and trailer or
20 25 semitrailer, except that:

20 26 a. Motor trucks registered for six tons or less not used
20 27 for hire, pulling trailers or semitrailers used by a person
20 28 engaged in farming to transport commodities produced by the
20 29 owner, or to transport commodities or livestock purchased by
20 30 the owner for use in the owner's own farming operation or used

20 31 by any person to transport horses shall not be subject to
20 32 registration for the gross weight of such trailer or
20 33 semitrailer provided the combined gross weight does not exceed
20 34 twelve tons, plus the tolerance provided for in section
20 35 321.466.

21 1 b. Motor trucks registered for six tons or less not used
21 2 for hire, pulling trailers or semitrailers used by a person in
21 3 the person's own operations shall not be subject to
21 4 registration for the gross weight of such trailer or
21 5 semitrailer provided the combined gross weight does not exceed
21 6 eight tons, plus the tolerance provided for in section
21 7 321.466.

21 8 Sec. 23. EFFECTIVE DATE AND APPLICABILITY. This division
21 9 of this Act takes effect January 1, 2009, and applies to
21 10 vehicles registered for registration years beginning in 2009
21 11 and subsequent years.

21 12 DIVISION V
21 13 TIME=21 FUNDING ANALYSIS

21 14 Sec. 24. TIME=21 FUNDING ANALYSIS. The department of
21 15 transportation shall conduct an analysis of the additional
21 16 revenues necessary to provide at least two hundred million
21 17 dollars annually to the TIME=21 fund by FY 2011=2012. The
21 18 analysis shall include but is not limited to the amount of
21 19 excise tax levied on motor fuel and adjustments that might be
21 20 made to various fees collected by the department in order to
21 21 create an appropriate balance of taxes and fees paid by Iowa
21 22 drivers and out-of-state drivers. The department shall submit
21 23 a report to the governor and the general assembly on or before
21 24 December 31, 2009, regarding its analysis.

21 25 DIVISION VI
21 26 USE TAX ON MOTOR VEHICLES REPEALED ==
21 27 FEE FOR NEW REGISTRATION IMPOSED

21 28 PART I
21 29 ROAD USE TAX FUND

21 30 Sec. 25. Section 312.1, Code 2007, is amended to read as
21 31 follows:

21 32 312.1 FUND CREATED.

21 33 1. There is hereby created, in the state treasury, a road
21 34 use tax fund. ~~Said The~~ road use tax fund shall ~~embrace and~~
21 35 include all of the following:

22 1 ~~1-~~ a. All the net proceeds of the registration of motor
22 2 vehicles under chapter 321.

22 3 ~~2-~~ b. All the net proceeds of the motor fuel tax or
22 4 license fees under chapter 452A.

22 5 ~~3-~~ c. Revenue derived from the excise tax imposed upon
22 6 the rental of automobiles, under chapter 423C, as to the
22 7 extent provided by section 423C.5.

22 8 ~~4. To the extent provided in section 423.43, subsection 1,~~
22 9 ~~paragraph "b", from revenue derived from the use tax, under~~
22 10 ~~chapter 423 on motor vehicles, trailers, and motor vehicle~~
22 11 ~~accessories and equipment.~~

22 12 ~~5-~~ d. Any other funds which may by law be credited to the
22 13 road use tax fund.

22 14 2. Notwithstanding section 12C.7, subsection 2, interest
22 15 or earnings on investments or time deposits of the moneys in
22 16 the road use tax fund and the funds to which moneys from the
22 17 road use tax fund are credited shall be credited to the road
22 18 use tax fund.

22 19 Sec. 26. Section 312.2, subsections 14 and 16, Code
22 20 Supplement 2007, are amended by striking the subsections.

22 21 Sec. 27. Section 312.2, Code Supplement 2007, is amended
22 22 by adding the following new subsection:

22 23 NEW SUBSECTION. 19. The treasurer of state, before making
22 24 the allotments provided for in this section, shall credit
22 25 monthly from the road use tax fund to the primary road fund an
22 26 amount equal to ten percent of the revenues collected from the
22 27 operation of section 321.105A, subsection 2, to be used for
22 28 the commercial and industrial highway network.

22 29 Sec. 28. Section 321.52A, Code 2007, is amended to read as
22 30 follows:

22 31 321.52A CERTIFICATE OF TITLE SURCHARGE == ALLOCATION OF
22 32 MONEYS.

22 33 ~~1-~~ In addition to the fee required for the issuance of a
22 34 certificate of title under section 321.20, 321.20A, 321.23,
22 35 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge
23 1 of five dollars shall be required. Of each surcharge
23 2 collected under those sections, the county treasurer shall
23 3 remit five dollars to the office of treasurer of state for
23 4 deposit as set forth in section 321.145, subsection 2.

23 5 ~~2. For the fiscal year beginning July 1, 2002, through the~~
23 6 ~~fiscal year beginning July 1, 2006, the treasurer of state~~

~~23 7 shall deposit twenty percent of the moneys received under
23 8 subsection 1 in the waste tire management fund and deposit the
23 9 remainder in the road use tax fund. For the fiscal year
23 10 beginning July 1, 2007, and each subsequent fiscal year, the
23 11 treasurer of state shall deposit the entire amount of moneys
23 12 received under subsection 1 in the road use tax fund.~~

23 13 Sec. 29. Section 321.145, Code 2007, is amended to read as
23 14 follows:

23 15 321.145 DISPOSITION OF MONEYS AND FEES.

23 16 1. Except for fines, forfeitures, court costs, and the
23 17 collection fees retained by the county treasurer pursuant to
23 18 section 321.152, and except as provided in subsections 2 and
23 19 3, moneys and motor vehicle license registration fees
23 20 collected under this chapter shall be credited by the
23 21 treasurer of state to the road use tax fund.

23 22 2. a. Revenues derived from fees charged for driver's
23 23 licenses and nonoperator's identification cards, fees charged
23 24 for the issuance of a certificate of title, and the
23 25 certificate of title surcharge collected pursuant to section
23 26 321.52A, shall be credited as follows:

23 27 (1) An amount equal to four percent of the revenue from
23 28 the operation of section 321.105A, subsection 2, shall be
23 29 credited to the department, to be used for purposes of public
23 30 transit assistance under chapter 324A.

23 31 (2) An amount equal to one dollar per year of license
23 32 validity for each issued or renewed driver's license which is
23 33 valid for the operation of a motorcycle shall be credited to
23 34 the motorcycle education fund established under section
23 35 321.180B.

24 1 (3) The amounts required to be transferred pursuant to
24 2 section 321.34 from revenues available under this subsection
24 3 shall be transferred and credited as provided in section
24 4 321.34, subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18,
24 5 19, 20, 20A, 20B, 21, 22, 23, and 24 for the various purposes
24 6 specified in those subsections.

24 7 b. Any such revenues remaining shall be credited to the
24 8 road use tax fund.

24 9 3. The department may direct the treasurer of state to
24 10 credit to the primary road fund any amount of revenues derived
24 11 from trailer registration fees collected pursuant to sections
24 12 321.105 and 321.105A to the extent necessary to reimburse that
24 13 fund for the expenditures not otherwise eligible to be made
24 14 from the primary road fund, which are made for repairing,
24 15 improving, and maintaining bridges over the rivers bordering
24 16 the state. Expenditures for those portions of bridges within
24 17 adjacent states may be included when they are made pursuant to
24 18 an agreement entered into under section 313.63, 313A.34, or
24 19 314.10.

24 20 Sec. 30. Section 423C.5, Code 2007, is amended to read as
24 21 follows:

24 22 423C.5 DEPOSIT OF REVENUE.

24 23 The department, at the direction of the department of
24 24 transportation, shall credit the revenue arising from the
24 25 operation of this chapter ~~shall be credited, as necessary to~~
24 26 supplement the funds available for the purposes specified in
24 27 section 321.145, subsection 2, paragraph "a". Any such
24 28 revenue remaining shall be credited to the road use tax fund.

24 29 Sec. 31. Section 424.7, subsection 4, Code 2007, is
24 30 amended to read as follows:

24 31 4. Upon receipt of a payment pursuant to this chapter, the
24 32 department shall deposit the moneys as follows:

24 33 a. Up to a maximum of four million two hundred fifty
24 34 thousand dollars per quarter shall be deposited into and
24 35 credited to the Iowa comprehensive petroleum underground
25 1 storage tank fund created in section 455G.3, and the moneys so
25 2 deposited are a continuing appropriation for expenditure under
25 3 chapter 455G, and moneys so appropriated shall not be used for
25 4 other purposes.

25 5 b. Any such moneys remaining shall be deposited into the
25 6 road use tax fund created in section 312.1.

25 7 PART 2
25 8 FEE FOR NEW VEHICLE REGISTRATION

25 9 Sec. 32. Section 321.1, Code 2007, is amended by adding
25 10 the following new subsection:

25 11 NEW SUBSECTION. 59A. "Registration fees", unless
25 12 otherwise specified, means both the annual vehicle
25 13 registration fee and the fee for new registration, to the
25 14 extent applicable, for purposes of administering the
25 15 provisions of this chapter concerning vehicle registration
25 16 fees.

25 17 Sec. 33. Section 321.2, Code 2007, is amended to read as

25 18 follows:

25 19 321.2 DEPARTMENT.

25 20 1. The Except as otherwise provided by law, the state
25 21 department of transportation shall administer and enforce the
25 22 provisions of this chapter.

25 23 2. The division of state patrol of the department of
25 24 public safety shall enforce the provisions of this chapter
25 25 relating to traffic on the public highways of the state,
25 26 including those relating to the safe and legal operation of
25 27 passenger cars, motorcycles, motor trucks and buses, and to
25 28 see that proper safety rules are observed.

25 29 3. The state department of transportation and the
25 30 department of public safety shall cooperate to insure the
25 31 proper and adequate enforcement of the provisions of this
25 32 chapter.

25 33 4. The director of revenue shall administer and enforce
25 34 the collection of the fee for new registration as provided in
25 35 section 321.105A.

26 1 Sec. 34. NEW SECTION. 321.105A FEE FOR NEW REGISTRATION.

26 2 1. DEFINITIONS. The following terms, when used in this
26 3 section, shall have the following meanings, except in those
26 4 instances where the context clearly indicates otherwise:

26 5 a. "Department" means the department of revenue.

26 6 b. "Director" means the director of revenue.

26 7 c. "Owner" means as defined in section 321.1. For
26 8 purposes of the fee for new registration imposed on leased
26 9 vehicles under subsection 3, "owner" means the "lessor".

26 10 d. "Purchase" means any transfer, exchange, or barter,
26 11 conditional or otherwise, in any manner or by any means
26 12 whatsoever, for consideration.

26 13 2. In addition to the annual registration fee required
26 14 under section 321.105, a "fee for new registration" is imposed
26 15 in the amount of five percent of the purchase price for each
26 16 vehicle subject to registration. The fee for new registration
26 17 shall be paid by the owner of the vehicle to the county
26 18 treasurer at the time application is made for a new
26 19 registration and certificate of title for the vehicle. A new
26 20 registration receipt shall not be issued until the fee has
26 21 been paid. The county treasurer or the department of
26 22 transportation shall require every applicant for a new
26 23 registration receipt for a vehicle subject to registration to
26 24 supply information as the county treasurer or the director
26 25 deems necessary as to the time of purchase, the purchase
26 26 price, and other information relative to the purchase of the
26 27 vehicle. On or before the tenth day of each month, the county
26 28 treasurer or the department of transportation shall remit to
26 29 the department of revenue the amount of the fees for new
26 30 registration collected during the preceding month.

26 31 a. For purposes of this subsection, "purchase price"
26 32 applies to the measure subject to the fee for new
26 33 registration. "Purchase price" shall be determined in the
26 34 same manner as "sales price" is determined for purposes of
26 35 computing the tax imposed upon the sales price of tangible
27 1 personal property under chapter 423, pursuant to the
27 2 definition in section 423.1, subsection 47, subject to the
27 3 following exemptions:

27 4 (1) Exempted from the purchase price of any vehicle
27 5 subject to registration is the amount of any cash rebate which
27 6 is provided by a motor vehicle manufacturer to the purchaser
27 7 of the vehicle subject to registration so long as the rebate
27 8 is applied to the purchase price of the vehicle.

27 9 (2) (a) In transactions, except those subject to
27 10 subparagraph subdivision (b), in which a vehicle subject to
27 11 registration is traded toward the purchase price of another
27 12 vehicle subject to registration, the purchase price is only
27 13 that portion of the purchase price which is valued in money,
27 14 whether received in money or not, if the following conditions
27 15 are met:

27 16 (i) The vehicle traded to the retailer is the type of
27 17 vehicle normally sold in the regular course of the retailer's
27 18 business.

27 19 (ii) The vehicle traded to the retailer is intended by the
27 20 retailer to be ultimately sold at retail or is intended to be
27 21 used by the retailer or another in the remanufacturing of a
27 22 like vehicle.

27 23 (b) In a transaction between persons, neither of which is
27 24 a retailer of vehicles subject to registration, in which a
27 25 vehicle subject to registration is traded toward the purchase
27 26 price of another vehicle subject to registration, the amount
27 27 of the trade-in value allowed on the vehicle subject to
27 28 registration traded is exempted from the purchase price.

27 29 (c) In order for the trade-in value to be excluded from
27 30 the purchase price, the name or names on the title and
27 31 registration of the vehicle being purchased must be the same
27 32 name or names on the title and registration of the vehicle
27 33 being traded. The following trades qualify under this
27 34 subparagraph subdivision (c):

27 35 (i) A trade involving spouses, if the traded vehicle and
28 1 the acquired vehicle are titled in the name of one or both of
28 2 the spouses, with no outside party named on the title.

28 3 (ii) A trade involving a grandparent, parent, or child,
28 4 including adopted and step relationships, if the name of one
28 5 of the family members from the title of the traded vehicle is
28 6 also on the title of the newly acquired vehicle.

28 7 (iii) A trade involving a business, if one of the owners
28 8 listed on the title of the traded vehicle is a business, and
28 9 the names on the title are separated by "or".

28 10 (iv) A trade in which the vehicle being purchased is
28 11 titled in the name of an individual other than the owner of
28 12 the traded vehicle due to the cosigning requirements of a
28 13 financial institution.

28 14 (3) Exempted from the purchase price of a replacement
28 15 motor vehicle owned by a motor vehicle dealer licensed under
28 16 chapter 322 which is being registered by that dealer and is
28 17 not otherwise exempt from the fee for new registration is the
28 18 fair market value of a replaced motor vehicle if all of the
28 19 following conditions are met:

28 20 (a) The motor vehicle being registered is being placed in
28 21 service as a replacement motor vehicle for a motor vehicle
28 22 registered by the motor vehicle dealer.

28 23 (b) The motor vehicle being registered is taken from the
28 24 motor vehicle dealer's inventory.

28 25 (c) The fee for new registration on the motor vehicle
28 26 being replaced was paid by the motor vehicle dealer when that
28 27 motor vehicle was registered.

28 28 (d) The replaced motor vehicle is returned to the motor
28 29 vehicle dealer's inventory for sale.

28 30 (e) The application for registration and title of the
28 31 motor vehicle being registered is filed with the county
28 32 treasurer within two weeks of the date the replaced motor
28 33 vehicle is returned to the motor vehicle dealer's inventory.

28 34 (f) The motor vehicle being registered is placed in the
28 35 same or substantially similar service as the replaced motor
29 1 vehicle.

29 2 b. For purposes of this subsection, the fee for new
29 3 registration on a vehicle registered in this state by the
29 4 manufacturer of that vehicle from a manufacturer's statement
29 5 of origin is calculated on the base value of fifty percent of
29 6 the retail list price of the vehicle.

29 7 c. The following are exempt from the fee for new
29 8 registration imposed under this subsection, as long as a valid
29 9 affidavit is filed with the county treasurer at the time of
29 10 application for registration:

29 11 (1) Entities listed in section 423.3, subsections 17, 18,
29 12 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that
29 13 those entities are exempt from the tax imposed on the sale of
29 14 tangible personal property, consisting of goods, wares, or
29 15 merchandise, sold at retail in the state to consumers or
29 16 users.

29 17 (2) Vehicles as defined in section 321.1, subsections 41,
29 18 64A, 71, 85, and 88, except such vehicles subject to
29 19 registration which are designed primarily for carrying
29 20 persons, when purchased for lease and actually leased to a
29 21 lessee for use outside the state of Iowa and the subsequent
29 22 sole use in Iowa is in interstate commerce or interstate
29 23 transportation.

29 24 (3) (a) Vehicles subject to registration which are
29 25 transferred from a business or individual conducting a
29 26 business within this state as a sole proprietorship,
29 27 partnership, or limited liability company to a corporation
29 28 formed by the sole proprietorship, partnership, or limited
29 29 liability company for the purpose of continuing the business
29 30 when all of the stock of the corporation so formed is owned by
29 31 the sole proprietor and the sole proprietor's spouse, by all
29 32 the partners in the case of a partnership, or by all the
29 33 members in the case of a limited liability company. This
29 34 exemption is equally available where the vehicles subject to
29 35 registration are transferred from a corporation to a sole
30 1 proprietorship, partnership, or limited liability company
30 2 formed by that corporation for the purpose of continuing the
30 3 business when all of the incidents of ownership are owned by
30 4 the same person or persons who were stockholders of the

30 5 corporation.

30 6 (b) This exemption also applies where the vehicles subject
30 7 to registration are transferred from a corporation as part of
30 8 the liquidation of the corporation to its stockholders if
30 9 within three months of such transfer the stockholders
30 10 retransfer those vehicles subject to registration to a sole
30 11 proprietorship, partnership, or limited liability company for
30 12 the purpose of continuing the business of the corporation when
30 13 all of the incidents of ownership are owned by the same person
30 14 or persons who were stockholders of the corporation.

30 15 (c) This exemption applies to corporations that have been
30 16 in existence for not longer than twenty-four months.

30 17 (4) Vehicles subject to registration which are transferred
30 18 from a corporation that is primarily engaged in the business
30 19 of leasing vehicles subject to registration to a corporation
30 20 that is primarily engaged in the business of leasing vehicles
30 21 subject to registration when the transferor and transferee
30 22 corporations are part of the same controlled group for federal
30 23 income tax purposes.

30 24 (5) (a) Vehicles registered or operated under chapter 326
30 25 and used substantially in interstate commerce. For purposes
30 26 of this subparagraph (5), "substantially in interstate
30 27 commerce" means that a minimum of twenty-five percent of the
30 28 miles operated by the vehicle accrues in states other than
30 29 Iowa. This subparagraph (5) applies only to vehicles which
30 30 are registered for a gross weight of thirteen tons or more.

30 31 (b) For purposes of this subparagraph (5), trailers and
30 32 semitrailers registered or operated under chapter 326 are
30 33 deemed to be used substantially in interstate commerce and to
30 34 be registered for a gross weight of thirteen tons or more.

30 35 (c) For the purposes of this subparagraph (5), if a
31 1 vehicle meets the requirement that twenty-five percent of the
31 2 miles operated accrues in states other than Iowa in each year
31 3 of the first four-year period of operation, the exemption from
31 4 the fee for new registration shall continue until the vehicle
31 5 is sold or transferred. If the vehicle is found to have not
31 6 met the exemption requirements or the exemption was revoked,
31 7 the value of the vehicle upon which the fee for new
31 8 registration shall be imposed is based on the original
31 9 purchase price if revocation or nonqualification for this
31 10 exemption occurs during the first year following registration.
31 11 If revocation or nonqualification for this exemption occurs
31 12 after the first year following registration, the value of the
31 13 vehicle upon which the fee shall be imposed is the book or
31 14 market value, whichever is less, at the time the exemption
31 15 requirements were not met or the exemption was revoked.

31 16 (6) Vehicles subject to registration in any state when
31 17 purchased for rental or registered and titled by a motor
31 18 vehicle dealer licensed pursuant to chapter 322 for rental
31 19 use, and held for rental for a period of one hundred twenty
31 20 days or more and actually rented for periods of sixty days or
31 21 less by a person regularly engaged in the business of renting
31 22 vehicles including but not limited to motor vehicle dealers
31 23 licensed pursuant to chapter 322 who rent automobiles to
31 24 users, if the rental of the vehicles is subject to taxation
31 25 under chapter 423C.

31 26 (7) Vehicles subject to registration in this state for
31 27 which the applicant for registration has paid to another state
31 28 a state sales, use, or occupational tax. However, if the tax
31 29 paid to another state is less than the fee for new
31 30 registration calculated for the vehicle, the difference shall
31 31 be the amount to be collected as the fee for new registration.

31 32 (8) A vehicle subject to registration in this state which
31 33 is owned by a person who has moved from another state with the
31 34 intention of changing residency to Iowa, provided that the
31 35 vehicle was purchased for use in the state from which the
32 1 applicant moved and was not, at or near the time of purchase,
32 2 purchased for use in Iowa.

32 3 (9) A vehicle that was previously registered in this state
32 4 and was subsequently registered in another state is not
32 5 subject to the fee for new registration when it is again
32 6 registered in this state, provided that the applicant for
32 7 registration has maintained ownership of the vehicle since its
32 8 initial registration in this state and has previously paid the
32 9 use tax or fee for new registration for the vehicle in this
32 10 state.

32 11 (10) Vehicles transferred by operation of law as provided
32 12 in section 321.47.

32 13 (11) Vehicles for which ownership is transferred to or
32 14 from a revocable or irrevocable trust, if no consideration is
32 15 present.

32 16 (12) Vehicles transferred to the surviving corporation for
32 17 no consideration as a result of a corporate merger according
32 18 to the laws of this state in which the merging corporation is
32 19 immediately extinguished and dissolved.

32 20 (13) Vehicles purchased in this state by a nonresident for
32 21 removal to the nonresident's state of residence if the
32 22 purchaser applies to the county treasurer for a transit plate
32 23 under section 321.109.

32 24 (14) Vehicles purchased by a licensed motor vehicle dealer
32 25 for resale.

32 26 (15) Homemade vehicles built from parts purchased at
32 27 retail, upon which the consumer paid a tax to the seller, but
32 28 only on such vehicles never before registered. This exemption
32 29 does not apply for vehicles subject to registration which are
32 30 made by a manufacturer engaged in the business for purpose of
32 31 sales or rental.

32 32 (16) Vehicles title under a salvage certificate of title.
32 33 However, when such a vehicle has been repaired and a regular
32 34 certificate of title is applied for, the fee for new
32 35 registration is due as follows:

33 1 (a) If the owner of the vehicle is a licensed recycler,
33 2 unless the applicant is licensed as a vehicle dealer, the fee
33 3 for new registration applies based on the fair market value of
33 4 the vehicle, with deduction allowed for the cost of parts,
33 5 supplies, and equipment for which sales tax was paid and which
33 6 were used to rebuild the vehicle.

33 7 (b) If the owner is a person who is not licensed as a
33 8 recycler or vehicle dealer, the fee for new registration
33 9 applies based on the fair market value of the vehicle, with
33 10 deduction allowed for the cost of parts, frames, chassis, auto
33 11 bodies, or supplies that were purchased to rebuild the vehicle
33 12 and for which sales tax was paid.

33 13 (17) A vehicle delivered to a resident Native American
33 14 Indian on the reservation.

33 15 (18) A vehicle transferred from one individual to another
33 16 as a gift in a transaction in which no consideration is
33 17 present.

33 18 (19) A vehicle given by a corporation as a gift to a
33 19 retiring employee.

33 20 (20) A vehicle sold by an entity where the profits from
33 21 the sale are used by or donated to a nonprofit entity which is
33 22 exempt from federal income taxation pursuant to section
33 23 501(c)(3) of the Internal Revenue Code, a government entity,
33 24 or a nonprofit private educational institution, and where the
33 25 entire proceeds from the sale of the vehicle are expended for
33 26 any of the following purposes:

33 27 (a) Educational.

33 28 (b) Religious.

33 29 (c) Charitable. A charitable act is an act done out of
33 30 goodwill, benevolence, and a desire to add to or to improve
33 31 the good of humankind in general or any class or portion of
33 32 humankind, with no pecuniary profit inuring to the person
33 33 performing the service or giving the gift.

33 34 (21) A vehicle given or sold to be subsequently awarded as
33 35 a raffle prize under chapter 99B.

34 1 (22) A vehicle won as a raffle prize under chapter 99B.

34 2 (23) A vehicle that is directly and primarily used in the
34 3 recycling or reprocessing of waste products.

34 4 (24) Vehicles purchased by a person who will rebuild those
34 5 vehicles into ambulances, rescue, or fire vehicles, provided
34 6 the person is a licensed wholesaler of new motor vehicles.

34 7 (25) A vehicle repossessed by a vehicle dealer pursuant to
34 8 the uniform commercial code, chapter 554, provided there is a
34 9 valid lien on the title and the dealer anticipates reselling
34 10 the vehicle.

34 11 (26) A vehicle repossessed by a financial institution or
34 12 an individual by means of a foreclosure affidavit pursuant to
34 13 the uniform commercial code, chapter 554, provided there is a
34 14 valid lien on the vehicle and the foreclosure affidavit is
34 15 used for the sole purpose of retaining possession of the
34 16 vehicle until a new buyer is found. However, if the financial
34 17 institution or individual uses the foreclosure affidavit to
34 18 take title to the vehicle and register the vehicle, the new
34 19 registration fee shall be due based on the outstanding loan
34 20 amount on the vehicle.

34 21 (27) A damaged vehicle acquired by an insurance company
34 22 from a client or financial institution, provided the insurance
34 23 company has a vehicle dealers license.

34 24 (28) A vehicle returned to a manufacturer and titled in
34 25 the manufacturer's name under section 322G.12.

34 26 (29) A vehicle purchased directly by a federal, state, or

34 27 local governmental agency and titled in an individual's name
34 28 pursuant to a governmental program authorized by law.

34 29 3. LEASED VEHICLES.

34 30 a. A fee for new registration is imposed in an amount
34 31 equal to five percent of the leased price for each vehicle
34 32 subject to registration with a gross vehicle weight rating of
34 33 less than sixteen thousand pounds, excluding motorcycles and
34 34 motorized bicycles, which is leased by a lessor licensed
34 35 pursuant to chapter 321F for a period of twelve months or
35 1 more. The fee for new registration shall be paid by the owner
35 2 of the vehicle to the county treasurer from whom the
35 3 registration receipt or certificate of title is obtained. A
35 4 registration receipt for a vehicle subject to registration or
35 5 issuance of a certificate of title shall not be issued until
35 6 the fee for new registration is paid in the initial instance.

35 7 b. The amount of the lease price subject to the fee for
35 8 new registration shall be computed on each separate lease
35 9 transaction by taking the total of the lease payments, plus
35 10 the down payment, and excluding the following charges, if
35 11 included as part of the lease payment:

- 35 12 (1) Title fee.
- 35 13 (2) Annual registration fees.
- 35 14 (3) Fee for new registration.
- 35 15 (4) Federal excise taxes attributable to the sale of the
35 16 vehicle to the owner or to the lease of the vehicle by the
35 17 owner.
- 35 18 (5) Optional service or warranty contracts subject to tax
35 19 pursuant to section 423.2, subsection 1.
- 35 20 (6) Insurance.
- 35 21 (7) Manufacturer's rebate.
- 35 22 (8) Refundable deposit.
- 35 23 (9) Finance charges, if any, on items listed in

35 24 subparagraphs (1) through (8).
35 25 c. If any or all of the items in paragraph "b",
35 26 subparagraphs (1) through (8), are excluded from the lease
35 27 price subject to the fee for new registration, the owner shall
35 28 maintain adequate records of the amounts of those items. If
35 29 the parties to a lease enter into an agreement providing that
35 30 the fee for new registration is to be paid by the lessee or
35 31 included in the monthly lease payments to be paid by the
35 32 lessee, the total cost of the fee for new registration shall
35 33 not be included in the computation of the lease price for the
35 34 purpose of the fee for new registration under this section.

35 35 The county treasurer or the department of transportation shall
36 1 require every applicant for a registration receipt for a
36 2 vehicle subject to a fee for new registration to supply
36 3 information as the county treasurer or the director deems
36 4 necessary as to the date of the lease transaction, the lease
36 5 price, and other information relative to the lease of the
36 6 vehicle.

36 7 d. On or before the tenth day of each month, the county
36 8 treasurer or the department of transportation shall remit to
36 9 the department of revenue the amount of the fees for new
36 10 registration collected during the preceding month.

36 11 e. If the lease is terminated prior to the termination
36 12 date contained in the lease agreement, no refund shall be
36 13 allowed for a fee for new registration previously paid under
36 14 this section, except as provided in section 322G.4.

36 15 4. ADMINISTRATION AND ENFORCEMENT == DIRECTOR OF REVENUE.

36 16 a. The director of revenue in consultation with the
36 17 department of transportation shall administer and enforce the
36 18 fee for new registration as nearly as possible in conjunction
36 19 with the administration and enforcement of the state use tax
36 20 law, except that portion of the law which implements the
36 21 streamlined sales and use tax agreement. The director shall
36 22 provide appropriate forms, or provide on the annual
36 23 registration forms provided by the department of
36 24 transportation, for reporting the fee for new registration
36 25 liability.

36 26 b. Section 422.25, subsection 4, sections 422.30, 422.67,
36 27 and 422.68, section 422.69, subsection 1, sections 422.70,
36 28 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
36 29 2, and sections 423.23, 423.24, 423.25, 423.32, 423.33,
36 30 423.35, 423.37 through 423.42, 423.45, and 423.47, consistent
36 31 with the provisions of this section, apply with respect to the
36 32 fees for new registration authorized under this section in the
36 33 same manner and with the same effect as if the fees for new
36 34 registration were retail use taxes within the meaning of those
36 35 statutes.

37 1 5. COLLECTIONS BY LICENSED DEALERS.

37 2 a. A licensed vehicle dealer maintaining a place of

37 3 business in this state who sells a vehicle subject to
37 4 registration for use in this state shall collect the fee for
37 5 new registration at the time of making the sale. A dealer
37 6 required to collect the fee for new registration shall give to
37 7 the purchaser a receipt for the fee in the manner and form
37 8 prescribed by the director. Fees collected by a dealer under
37 9 this section shall be forwarded to the county treasurer in the
37 10 same manner as annual registration fees.

37 11 b. If an amount of the fee for new registration
37 12 represented by a dealer to the purchaser of a vehicle is
37 13 computed upon a purchase price that is not subject to the fee
37 14 for new registration or the amount represented is in excess of
37 15 the actual amount subject to the fee and the amount
37 16 represented is actually paid by the purchaser to the dealer,
37 17 the excess amount of fee for new registration paid shall be
37 18 returned to the purchaser upon notification to the dealer by
37 19 the department that an excess payment exists.

37 20 c. If an amount of the fee for new registration
37 21 represented by a dealer to a purchaser is computed upon a
37 22 purchase price that is not subject to the fee for new
37 23 registration or the amount represented is in excess of the
37 24 actual amount subject to the fee and the amount represented is
37 25 actually paid by the purchaser to the dealer, the excess
37 26 amount of fee for new registration paid shall be returned to
37 27 the purchaser upon proper notification to the dealer by the
37 28 purchaser that an excess payment exists. "Proper"
37 29 notification is written notification which allows a dealer at
37 30 least sixty days to respond and which contains enough
37 31 information to allow a dealer to determine the validity of a
37 32 purchaser's claim that an excess amount of fee for new
37 33 registration has been paid. No cause of action shall accrue
37 34 against a dealer for excess fee for new registration paid
37 35 until sixty days after proper notice has been given the dealer

38 1 by the purchaser.
38 2 d. In the circumstances described in paragraphs "b" and
38 3 "c", a dealer has the option to either return any excess
38 4 amount of fee for new registration paid to a purchaser, or to
38 5 remit the amount which a purchaser has paid to the dealer to
38 6 the department.

38 7 6. REFUNDS.

38 8 a. A fee for new registration is not refundable, except in
38 9 the following circumstances:

38 10 (1) If a vehicle is sold and later returned to the seller
38 11 and the entire purchase price is refunded by the seller, the
38 12 purchaser is entitled to a refund of the fee for new
38 13 registration paid. To obtain a refund, the purchaser shall
38 14 make application on forms provided by the department and show
38 15 proof that the entire purchase price was returned and that the
38 16 fee for new registration had been paid.

38 17 (2) If a vehicle manufacturer reimburses a purchaser for
38 18 the fee for new registration paid on a returned defective
38 19 vehicle, the manufacturer may obtain a refund from the
38 20 department by providing proof that the fee was paid and the
38 21 purchaser reimbursed in accordance with the provisions of
38 22 chapter 322G.

38 23 (3) If the department determines that, as a result of
38 24 mistake, an amount of the fee for new registration has been
38 25 paid which was not due, such amount shall be refunded to the
38 26 vehicle owner by the department.

38 27 b. A claim for refund under this subsection that has not
38 28 been filed with the department within three years after the
38 29 fee for new registration was paid shall not be allowed by the
38 30 director.

38 31 7. PENALTY FOR FALSE STATEMENT. A person who willfully
38 32 makes a false statement in regard to the purchase price of a
38 33 vehicle subject to a fee for new registration is guilty of a
38 34 fraudulent practice. A person who willfully makes a false
38 35 statement in regard to the purchase price of such a vehicle
39 1 with the intent to evade payment of the fee for new
39 2 registration shall be assessed a penalty of seventy-five
39 3 percent of the amount of the fee unpaid and required to be
39 4 paid on the actual purchase price less trade-in allowance.

39 5 PART 3

39 6 MOTOR VEHICLE USE TAX == REPEAL

39 7 Sec. 35. Section 423.6, subsections 8, 10, 11, 12, 16, 17,
39 8 18, 24, and 25, Code 2007, are amended by striking the
39 9 subsections.

39 10 Sec. 36. Section 423.14, subsection 2, paragraph a, Code
39 11 2007, is amended to read as follows:

39 12 a. The tax upon the use of all vehicles ~~subject to~~
~~39 13 registration or~~ subject only to the issuance of a certificate

39 14 of title or the tax upon the use of manufactured housing shall
39 15 be collected by the county treasurer or the state department
39 16 of transportation pursuant to ~~sections section 423.26 and~~
~~39 17 423.27, subsection 1.~~ The county treasurer shall retain one
39 18 dollar from each tax payment collected, to be credited to the
39 19 county general fund.

39 20 Sec. 37. Section 423.26, Code 2007, is amended to read as
39 21 follows:

39 22 423.26 ~~VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE~~
39 23 ~~ISSUANCE OF TITLE == MANUFACTURED HOUSING == VEHICLE LEASE~~
39 24 ~~TRANSACTIONS NOT REQUIRING TITLE OR REGISTRATION.~~

39 25 1. a. The use tax imposed upon the use of vehicles
39 26 ~~subject to registration or~~ subject only to the issuance of a
39 27 certificate of title or imposed upon the use of manufactured
39 28 housing shall be paid by the owner of the vehicle or of the
39 29 manufactured housing to the county treasurer or the state
39 30 department of transportation from whom the ~~registration~~
~~39 31 receipt or~~ certificate of title is obtained. A ~~registration~~
~~39 32 receipt for a vehicle subject to registration or~~ certificate
39 33 of title shall not be issued until the tax has been paid. The
39 34 county treasurer or the state department of transportation
39 35 shall require every applicant for a ~~registration receipt for a~~
~~40 1 vehicle subject to registration or~~ certificate of title to
40 2 supply information as the county treasurer or the director
40 3 deems necessary as to the time of purchase, the purchase
40 4 price, installed purchase price, and other information
40 5 relative to the purchase of the vehicle or manufactured
40 6 housing. On or before the tenth day of each month, the county
40 7 treasurer or the state department of transportation shall
40 8 remit to the department the amount of the taxes collected
40 9 during the preceding month.

40 10 b. A person who willfully makes a false statement in
40 11 regard to the purchase price of a vehicle subject to taxation
40 12 under this ~~section subsection~~ is guilty of a fraudulent
40 13 practice. A person who willfully makes a false statement in
40 14 regard to the purchase price of such a vehicle with the intent
40 15 to evade the payment of tax shall be assessed a penalty of
40 16 seventy-five percent of the amount of tax unpaid and required
40 17 to be paid on the actual purchase price less trade-in
40 18 allowance.

40 19 2. a. The use tax imposed upon the use of leased vehicles
40 20 if the lease transaction does not require titling or
40 21 registration of the vehicle shall be remitted to the
40 22 department. Tax and the reporting of tax due to the
40 23 department shall be remitted on or before fifteen days from
40 24 the last day of the month that the tax becomes due. Failure
40 25 to timely report or remit any of the tax when due shall result
40 26 in a penalty and interest being imposed on the tax due
40 27 pursuant to section 423.40, subsection 1, and section 423.42,
40 28 subsection 1.

40 29 b. The amount subject to tax shall be computed on each
40 30 separate lease transaction by taking the total of the lease
40 31 payments, plus the down payment, and excluding all of the
40 32 following:

- 40 33 (1) Title fee.
- 40 34 (2) Registration fees.
- 40 35 (3) Use tax pursuant to this subsection.
- 41 1 (4) Federal excise taxes attributable to the sale of the
41 2 vehicle to the owner or to the lease of the vehicle by the
41 3 owner.
- 41 4 (5) Optional service or warranty contracts subject to tax
41 5 pursuant to section 423.2, subsection 1.
- 41 6 (6) Insurance.
- 41 7 (7) Manufacturer's rebate.
- 41 8 (8) Refundable deposit.
- 41 9 (9) Finance charges, if any, on items listed in
41 10 subparagraphs (1) through (8).

41 11 c. If any or all of the items in paragraph "b",
41 12 subparagraphs (1) through (8) are excluded from the taxable
41 13 lease price, the owner shall maintain adequate records of the
41 14 amounts of those items. If the parties to a lease enter into
41 15 an agreement providing that the tax imposed under this
41 16 subsection is to be paid by the lessee or included in the
41 17 monthly lease payments to be paid by the lessee, the total
41 18 cost of the tax shall not be included in the computation of
41 19 lease price for the purpose of taxation under this subsection.

41 20 Sec. 38. Section 423.43, Code Supplement 2007, is amended
41 21 by striking the section and inserting in lieu thereof the
41 22 following:

41 23 423.43 DEPOSIT OF REVENUES.

41 24 1. Except as provided in subsection 2, all revenue arising

41 25 under the operation of the use tax under subchapter III shall
41 26 be deposited into the general fund of the state.

41 27 2. All revenue derived from the use tax imposed pursuant
41 28 to section 423.26 shall be deposited into the road use tax
41 29 fund.

41 30 Sec. 39. Section 423.27, Code 2007, is repealed.

41 31 PART 4

41 32 CONFORMING AMENDMENTS

41 33 Sec. 40. Section 29A.101A, subsection 5, Code Supplement
41 34 2007, is amended to read as follows:

41 35 5. Rents or lease amounts unpaid for the period preceding
42 1 the effective date of the lease termination shall be paid on a
42 2 prorated basis. In the case of a vehicle lease, the lessor
42 3 shall not impose an early termination charge, but any ~~taxes,~~
42 4 ~~summonses, and title and registration fees, including the fee~~
42 5 ~~for new registration,~~ and any other obligation and liability
42 6 of the lessee in accordance with the terms of the lease,
42 7 including reasonable charges to the lessee for excess wear,
42 8 use, and mileage, that are due and unpaid at the time of
42 9 termination of the lease shall be paid by the lessee.

42 10 Sec. 41. Section 321.17, Code 2007, is amended to read as
42 11 follows:

42 12 321.17 MISDEMEANOR TO VIOLATE REGISTRATION PROVISIONS.

42 13 It is a simple misdemeanor punishable as a scheduled
42 14 violation under section 805.8A, subsection 2, paragraph "b",
42 15 for any person to drive or move or for an owner knowingly to
42 16 permit to be driven or moved upon the highway a vehicle of a
42 17 type required to be registered under this chapter which is not
42 18 registered, or for which the appropriate ~~fee has~~ fees have not
42 19 been paid, except as provided in section 321.109, subsection
42 20 3.

42 21 Sec. 42. Section 321.19, subsection 1, unnumbered
42 22 paragraph 1, Code 2007, is amended to read as follows:

42 23 All vehicles owned or leased for a period of sixty days or
42 24 more by the government and used in the transaction of official
42 25 business by the representatives of foreign governments or by
42 26 officers, boards, or departments of the government of the
42 27 United States, and by the state, counties, municipalities and
42 28 other political subdivisions of the state including vehicles
42 29 used by an urban transit company operated by a municipality or
42 30 a regional transit system, and self-propelling vehicles used
42 31 neither for the conveyance of persons for hire, pleasure, or
42 32 business nor for the transportation of freight other than
42 33 those used by an urban transit company operated by a
42 34 municipality or a regional transit system, all fire trucks,
42 35 providing they are not owned and operated for a pecuniary
43 1 profit, and authorized emergency vehicles used only in
43 2 disaster relief owned and operated by an organization not
43 3 operated for pecuniary profit, are exempted from the payment
43 4 of the registration fees imposed by this chapter, except as
43 5 provided for urban transit companies in subsection 2, but are
43 6 not exempt from the penalties provided in this chapter.

43 7 Sec. 43. Section 321.20, subsection 1, paragraph a, Code
43 8 2007, is amended to read as follows:

43 9 a. The full legal name; social security number or Iowa
43 10 driver's license number or Iowa nonoperator's identification
43 11 card number; date of birth; bona fide residence; and mailing
43 12 address of the owner and of the lessee if the vehicle is being
43 13 leased. If the owner or lessee is a firm, association, or
43 14 corporation, the application shall contain the bona fide
43 15 business address and federal employer identification number of
43 16 the owner or lessee. Up to three owners' names may be listed
43 17 on the application. If the vehicle is a leased vehicle, the
43 18 application shall state whether the notice of registration
43 19 renewal shall be sent to the lessor or to the lessee and
43 20 whether the lessor or the lessee shall receive the
43 21 ~~registration fee~~ refund of the annual registration fee, if
43 22 any. Information relating to the lessee of a vehicle shall
43 23 not be required on an application for registration and a
43 24 certificate of title for a vehicle with a gross vehicle weight
43 25 rating of ten thousand pounds or more.

43 26 Sec. 44. Section 321.20, subsection 1, paragraph e, Code
43 27 2007, is amended to read as follows:

43 28 e. The amount of the fee for new registration to be paid
43 29 under section 321.105A or the amount of tax to be paid under
43 30 section 423.26, subsection 1.

43 31 Sec. 45. Section 321.20A, Code 2007, is amended to read as
43 32 follows:

43 33 321.20A CERTIFICATE OF TITLE AND REGISTRATION FEES ==
43 34 COMMERCIAL VEHICLES.

43 35 1. Notwithstanding other provisions of this chapter, the

44 1 owner of a commercial vehicle subject to the proportional
44 2 registration provisions of chapter 326 may make application to
44 3 the department or the appropriate county treasurer for a
44 4 certificate of title. The application for certificate of
44 5 title shall be made within thirty days of purchase or transfer
44 6 and shall be accompanied by a ten dollar title fee and the
44 7 appropriate ~~use tax fee for new registration~~. The department
44 8 or the county treasurer shall deliver the certificate of title
44 9 to the owner if there is no security interest. If there is a
44 10 security interest, the title, when issued, shall be delivered
44 11 to the first secured party. Delivery may be made using
44 12 electronic means.

44 13 2. An owner of more than fifty commercial vehicles subject
44 14 to the proportional registration provisions of chapter 326 who
44 15 is issued a certificate of title under this section shall not
44 16 be subject to annual registration fees until the commercial
44 17 vehicle is driven or moved upon the highways. The annual
44 18 registration fee due shall be prorated for the remaining
44 19 unexpired months of the registration year. Ownership of the
44 20 commercial vehicle shall not be transferred until annual
44 21 registration fees have been paid to the department.

44 22 Sec. 46. Section 321.23, subsection 3, Code 2007, is
44 23 amended to read as follows:

44 24 3. In the event an applicant for registration of a foreign
44 25 vehicle for which a certificate of title has been issued is
44 26 able to furnish evidence of being the registered owner of the
44 27 vehicle to the county treasurer of the owner's residence,
44 28 although unable to surrender such certificate of title, the
44 29 county treasurer may issue a registration receipt and plates
44 30 upon receipt of the required annual registration fee and the
44 31 fee for new registration fee but shall not issue a certificate
44 32 of title thereto. Upon surrender of the certificate of title
44 33 from the foreign state, the county treasurer shall issue a
44 34 certificate of title to the owner, or person entitled thereto,
44 35 of such vehicle as provided in this chapter. The owner of a
45 1 vehicle registered under this subsection shall not be required
45 2 to obtain a certificate of title in this state and may
45 3 transfer ownership of the vehicle to a motor vehicle dealer
45 4 licensed under chapter 322 if, at the time of the transfer,
45 5 the certificate of title is held by a secured party and the
45 6 dealer has forwarded to the secured party the sum necessary to
45 7 discharge the security interest pursuant to section 321.48,
45 8 subsection 1.

45 9 Sec. 47. Section 321.24, subsections 1, 3, and 10, Code
45 10 Supplement 2007, are amended to read as follows:

45 11 1. Upon receipt of the application for title and payment
45 12 of the required fees for a motor vehicle, trailer, or
45 13 semitrailer, the county treasurer or the department shall,
45 14 when satisfied as to the application's genuineness and
45 15 regularity, and, in the case of a mobile home or manufactured
45 16 home, that taxes are not owing under chapter 423 or 435, issue
45 17 a certificate of title and, except for a mobile home or
45 18 manufactured home, a registration receipt, and shall file the
45 19 application, the manufacturer's or importer's certificate, the
45 20 certificate of title, or other evidence of ownership, as
45 21 prescribed by the department. The registration receipt shall
45 22 be delivered to the owner and shall contain upon its face the
45 23 date issued, the name and address of the owner, the
45 24 registration number assigned to the vehicle, the amount of the
45 25 fee paid, ~~the amount of tax paid pursuant to section 423.26,~~
45 26 the type of fuel used, a description of the vehicle as
45 27 determined by the department, and a form for notice of
45 28 transfer of the vehicle. The name and address of any lessee
45 29 of the vehicle shall not be printed on the registration
45 30 receipt or certificate of title. Up to three owners may be
45 31 listed on the registration receipt and certificate of title.

45 32 3. The certificate of title shall contain upon its face
45 33 the identical information required upon the face of the
45 34 registration receipt. In addition, the certificate of title
45 35 shall contain a statement of the owner's title, the title
46 1 number assigned to the owner or owners of the vehicle, ~~the~~
46 2 ~~amount of tax paid pursuant to section 423.26,~~ the name and
46 3 address of the previous owner, and a statement of all security
46 4 interests and encumbrances as shown in the application, upon
46 5 the vehicle described, including the nature of the security
46 6 interest, date of perfection, and name and address of the
46 7 secured party.

46 8 10. A vehicle shall be registered for the registration
46 9 year. A vehicle registered for the first time in this state
46 10 shall be registered for the remaining unexpired months of the
46 11 registration year and pay ~~a~~ an annual registration fee

46 12 prorated for the remaining unexpired months of the
46 13 registration year plus a fee for new registration if
46 14 applicable pursuant to section 321.105A. Except for a vehicle
46 15 registered under chapter 326, a vehicle registered for the
46 16 first time during the eleventh month of the owner's
46 17 registration year may be registered for the remaining
46 18 unexpired months of the registration year as provided in this
46 19 paragraph or for the remaining unexpired months of the
46 20 registration year and for the next registration year, upon
46 21 payment of the applicable registration fees.

46 22 Sec. 48. Section 321.26, subsection 2, Code 2007, is
46 23 amended to read as follows:

46 24 2. The county treasurer may adjust the renewal or
46 25 expiration date of vehicles when deemed necessary to equalize
46 26 the number of vehicles registered in each twelve-month period
46 27 or for the administrative efficiency of the county treasurer's
46 28 office. The adjustment shall be accomplished by delivery of a
46 29 written notice to the vehicle owner of the adjustment and
46 30 allowance of a credit for the remaining months of the unused
46 31 portion of the annual registration fee, rounded to the nearest
46 32 whole dollar, which amount shall be deducted from the annual
46 33 registration fee due at the time of registration. Upon
46 34 receipt of the notification the owner shall, within thirty
46 35 days, surrender the registration card and registration plates
47 1 to the county treasurer of the county where the vehicle is
47 2 registered, except that the registration plates shall not be
47 3 surrendered if validation stickers or other emblems are used
47 4 to designate the month and year of expiration of registration.
47 5 Upon payment of the annual registration fee, less the credit
47 6 allowed for the remaining months of the unused portion of the
47 7 annual registration fee, the county treasurer shall issue a
47 8 new registration card and registration plates, validation
47 9 stickers, or emblems which indicate the month and year of
47 10 expiration of registration.

47 11 Sec. 49. Section 321.30, subsection 1, paragraphs e and f,
47 12 Code Supplement 2007, are amended to read as follows:

47 13 e. That the required ~~fee has~~ registration fees have not
47 14 been paid except as provided in section 321.48.

47 15 f. ~~That For a vehicle subject only to a certificate of~~
47 16 ~~title or a manufactured home, that~~ the required use tax has
47 17 not been paid.

47 18 Sec. 50. Section 321.30, subsection 3, paragraph b, Code
47 19 Supplement 2007, is amended to read as follows:

47 20 b. If the applicant for registration of the vehicle has
47 21 failed to pay the required annual registration ~~fees~~ fee or the
47 22 fee for new registration of any vehicle owned or previously
47 23 owned when the ~~registration~~ fee was required to be paid by the
47 24 applicant, and for which vehicle the registration was
47 25 suspended or revoked under section 321.101, subsection 1,
47 26 paragraph "d", or section 321.101A, until the ~~fees are~~ fee is
47 27 paid together with any accrued penalties.

47 28 Sec. 51. Section 321.34, subsection 2, unnumbered
47 29 paragraph 1, Code Supplement 2007, is amended to read as
47 30 follows:

47 31 In lieu of issuing new registration plates each
47 32 registration year for a vehicle renewing registration, the
47 33 department may reassign the registration plates previously
47 34 issued to the vehicle and may adopt and prescribe an annual
47 35 validation sticker indicating payment of annual registration
48 1 fees. The department shall issue one validation sticker for
48 2 each set of registration plates. The sticker shall specify
48 3 the month and year of expiration of the registration plates.
48 4 The sticker shall be displayed only on the rear registration
48 5 plate, except that the sticker shall be displayed on the front
48 6 registration plate of a truck tractor.

48 7 Sec. 52. Section 321.34, subsection 5, paragraphs b and c,
48 8 Code Supplement 2007, is amended to read as follows:

48 9 b. The county treasurer shall validate personalized
48 10 registration plates in the same manner as regular registration
48 11 plates are validated under this section at an annual fee of
48 12 five dollars in addition to the regular annual registration
48 13 fee. A person renewing a personalized registration plate
48 14 within one month following the time requirements under section
48 15 321.40 may renew the personalized plate without paying the
48 16 additional registration fee under paragraph "a" but shall pay
48 17 the five-dollar fee in addition to the regular annual
48 18 registration fee and any penalties subject to regular
48 19 registration plate holders for late renewal.

48 20 c. The fees collected by the director under this ~~section~~
48 21 subsection shall be paid to the treasurer of state and
48 22 credited by the treasurer of state as provided in section

48 23 321.145.

48 24 Sec. 53. Section 321.34, subsection 7, paragraph c, Code
48 25 Supplement 2007, is amended to read as follows:

48 26 c. (1) The fees for a collegiate registration plate are
48 27 as follows:

48 28 ~~(1)~~ (a) A registration fee of twenty-five dollars.

48 29 ~~(2)~~ (b) A special collegiate registration fee of
48 30 twenty-five dollars.

48 31 (2) These fees are in addition to the regular annual
48 32 registration fee. The fees collected by the director under
48 33 this subsection shall be paid monthly to the treasurer of
48 34 state and ~~credited by the treasurer of state to deposited in~~
48 35 ~~the road use tax fund. Notwithstanding section 423.43 and~~
49 1 ~~prior to the revenues being credited to the road use tax fund~~
49 2 ~~under section 423.43, subsection 1, paragraph "b", the The~~
49 3 ~~treasurer of state shall credit monthly from those revenues~~
49 4 ~~respectively the revenues available for purposes of this~~
49 5 ~~subsection under section 321.145, subsection 2, to Iowa state~~
49 6 ~~university of science and technology, the university of~~
49 7 ~~northern Iowa, and the state university of Iowa respectively,~~
49 8 ~~the amount of the special collegiate registration fees~~
49 9 ~~collected in the previous month for collegiate registration~~
49 10 ~~plates designed for the university. The moneys credited are~~
49 11 ~~appropriated to the respective universities to be used for~~
49 12 ~~scholarships for students attending the universities.~~

49 13 Sec. 54. Section 321.34, subsection 10, paragraph c, Code
49 14 Supplement 2007, is amended to read as follows:

49 15 c. The special fees collected by the director under this
49 16 subsection shall be paid monthly to the treasurer of state and
49 17 ~~credited to deposited in~~ the road use tax fund.

49 18 ~~Notwithstanding section 423.43, and prior to the crediting of~~
49 19 ~~revenues to the road use tax fund under section 423.43,~~
49 20 ~~subsection 1, paragraph "b", the The~~ treasurer of state shall
49 21 transfer monthly from ~~those revenues~~ the revenues available
49 22 for purposes of this subsection under section 321.145,

49 23 subsection 2, to the Paul Ryan memorial fire fighter safety
49 24 training fund created pursuant to section 100B.12 the amount
49 25 of the special fees collected in the previous month for the
49 26 fire fighter plates.

49 27 Sec. 55. Section 321.34, subsection 10A, paragraph b, Code
49 28 Supplement 2007, is amended to read as follows:

49 29 b. The special fees collected by the director under this
49 30 subsection shall be paid monthly to the treasurer of state and
49 31 ~~credited to deposited in~~ the road use tax fund.

49 32 ~~Notwithstanding section 423.43, and prior to the crediting of~~
49 33 ~~revenues to the road use tax fund under section 423.43,~~
49 34 ~~subsection 1, paragraph "b", the The~~ treasurer of state shall
49 35 transfer monthly from ~~those revenues~~ the revenues available
50 1 for purposes of this subsection under section 321.145,

50 2 subsection 2, to the emergency medical services fund created
50 3 in section 135.25 the amount of the special fees collected in
50 4 the previous month for issuance of emergency medical services
50 5 plates.

50 6 Sec. 56. Section 321.34, subsection 11, paragraph c, Code
50 7 Supplement 2007, is amended to read as follows:

50 8 c. (1) The special natural resources fee for letter
50 9 number designated natural resources plates is forty-five
50 10 dollars. The fee for personalized natural resources plates is
50 11 forty-five dollars which shall be paid in addition to the
50 12 special natural resources fee of forty-five dollars. The fees
50 13 collected by the director under this subsection shall be paid
50 14 monthly to the treasurer of state and ~~credited to deposited in~~
50 15 ~~the road use tax fund. Notwithstanding section 423.43, and~~

50 16 ~~prior to the crediting of revenues to the road use tax fund~~
50 17 ~~under section 423.43, subsection 1, paragraph "b", the The~~
50 18 ~~treasurer of state shall credit monthly from those revenues~~
50 19 the revenues available for purposes of this subsection under
50 20 section 321.145, subsection 2, to the Iowa resources

50 21 enhancement and protection fund created pursuant to section
50 22 455A.18, the amount of the special natural resources fees
50 23 collected in the previous month for the natural resources
50 24 plates.

50 25 (2) From the moneys credited to the Iowa resources
50 26 enhancement and protection fund under ~~this paragraph "c",~~
50 27 ~~subparagraph (1),~~ ten dollars of the fee collected for each
50 28 natural resources plate issued, and fifteen dollars from each
50 29 renewal fee, shall be allocated to the department of natural
50 30 resources wildlife bureau to be used for nongame wildlife
50 31 programs.

50 32 Sec. 57. Section 321.34, subsection 11A, paragraph c, Code
50 33 Supplement 2007, is amended to read as follows:

50 34 c. The special fee for letter number designated love our
50 35 kids plates is thirty-five dollars. The fee for personalized
51 1 love our kids plates is twenty-five dollars, which shall be
51 2 paid in addition to the special love our kids fee of
51 3 thirty-five dollars. The fees collected by the director under
51 4 this subsection shall be paid monthly to the treasurer of
51 5 state and ~~credited to~~ deposited in the road use tax fund.
51 6 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~51 7 revenues to the road use tax fund under section 423.43,~~
~~51 8 subsection 1, paragraph "b", the The~~ treasurer of state shall
51 9 transfer monthly from ~~those revenues~~ the revenues available
51 10 for purposes of this subsection under section 321.145,
51 11 subsection 2, to the Iowa department of public health the
51 12 amount of the special fees collected in the previous month for
51 13 the love our kids plates. Notwithstanding section 8.33,
51 14 moneys transferred under this subsection shall not revert to
51 15 the general fund of the state.

51 16 Sec. 58. Section 321.34, subsection 11B, paragraph c, Code
51 17 Supplement 2007, is amended to read as follows:

51 18 c. The special fee for letter number designated motorcycle
51 19 rider education plates is thirty-five dollars. The fee for
51 20 personalized motorcycle rider education plates is twenty-five
51 21 dollars, which shall be paid in addition to the special
51 22 motorcycle rider education fee of thirty-five dollars. The
51 23 fees collected by the director under this subsection shall be
51 24 paid monthly to the treasurer of state and ~~credited to~~
51 25 deposited in the road use tax fund. ~~Notwithstanding section~~
~~51 26 423.43, and prior to the crediting of revenues to the road use~~
~~51 27 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~51 28 the The~~ treasurer of state shall transfer monthly from ~~those~~
~~51 29 revenues~~ the revenues available for purposes of this
51 30 subsection under section 321.145, subsection 2, to the
51 31 department for use in accordance with section 321.180B,
51 32 subsection 6, the amount of the special fees collected in the
51 33 previous month for the motorcycle rider education plates.

51 34 Sec. 59. Section 321.34, subsection 13, paragraph d, Code
51 35 Supplement 2007, is amended to read as follows:

52 1 d. A state agency may submit a request to the department
52 2 recommending a special registration plate. The alternate fee
52 3 for letter number designated plates is thirty-five dollars
52 4 with a ten dollar annual special renewal fee. The fee for
52 5 personalized plates is twenty-five dollars which is in
52 6 addition to the alternative fee of thirty-five dollars with an
52 7 annual personalized plate renewal fee of five dollars which is
52 8 in addition to the special renewal fee of ten dollars. The
52 9 alternate fees are in addition to the regular annual
52 10 registration fee. The alternate fees collected under this
52 11 paragraph shall be paid monthly to the treasurer of state and
52 12 ~~credited to~~ deposited in the road use tax fund.
52 13 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~52 14 the revenues to the road use tax fund under section 423.43,~~
~~52 15 subsection 1, paragraph "b", the The~~ treasurer of state shall
52 16 credit monthly from ~~the revenues~~ the revenues available for purposes of
52 17 this subsection under section 321.145, subsection 2, the
52 18 amount of the alternate fees collected in the previous month
52 19 to the state agency that recommended the special registration
52 20 plate.

52 21 Sec. 60. Section 321.34, subsection 16, unnumbered
52 22 paragraph 1, Code Supplement 2007, is amended to read as
52 23 follows:

52 24 An owner referred to in subsection 12 who is a member of
52 25 the national guard, as defined in chapter 29A, may, upon
52 26 written application to the department, order special
52 27 registration plates with a national guard processed emblem
52 28 with the emblem designed by the department in cooperation with
52 29 the adjutant general which emblem signifies that the applicant
52 30 is a member of the national guard. The application shall be
52 31 approved by the department in consultation with the adjutant
52 32 general. The special plate fees collected by the director
52 33 under subsection 12, paragraph "a", from the issuance and
52 34 annual validation of letter-number designated and personalized
52 35 national guard plates shall be paid monthly to the treasurer
53 1 of state and ~~credited to~~ deposited in the road use tax fund.
53 2 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~53 3 revenues to the road use tax fund under section 423.43,~~
~~53 4 subsection 1, paragraph "b", the The~~ treasurer of state shall
53 5 transfer monthly from ~~those revenues~~ the revenues available
53 6 for purposes of this subsection under section 321.145,
53 7 subsection 2, to the veterans license fee fund created in
53 8 section 35A.11 the amount of the special fees collected in the
53 9 previous month for national guard plates. Special

53 10 registration plates with a national guard processed emblem
53 11 shall be surrendered, as provided in subsection 12, in
53 12 exchange for regular registration plates upon termination of
53 13 the owner's membership in the active national guard.

53 14 Sec. 61. Section 321.34, subsection 17, unnumbered
53 15 paragraph 1, Code Supplement 2007, is amended to read as
53 16 follows:

53 17 An owner referred to in subsection 12 who was at Pearl
53 18 Harbor, Hawaii, as a member of the armed services of the
53 19 United States on December 7, 1941, may, upon written
53 20 application to the department, order special registration
53 21 plates with a Pearl Harbor processed emblem. The emblem shall
53 22 be designed by the department in consultation with service
53 23 organizations. The application is subject to approval by the
53 24 department. The special plate fees collected by the director
53 25 under subsection 12, paragraph "a", from the issuance and
53 26 annual validation of letter=number designated and personalized
53 27 Pearl Harbor plates shall be paid monthly to the treasurer of
53 28 state and ~~credited to~~ deposited in the road use tax fund.
53 29 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~53 30 revenues to the road use tax fund under section 423.43,~~
~~53 31 subsection 1, paragraph "b", the~~ The treasurer of state shall
53 32 transfer monthly from ~~those revenues~~ the revenues available
53 33 for purposes of this subsection under section 321.145,
53 34 subsection 2, to the veterans license fee fund created in
53 35 section 35A.11 the amount of the special fees collected in the
54 1 previous month for Pearl Harbor plates.

54 2 Sec. 62. Section 321.34, subsection 18, unnumbered
54 3 paragraph 1, Code Supplement 2007, is amended to read as
54 4 follows:

54 5 An owner referred to in subsection 12 who was awarded a
54 6 purple heart medal by the United States government for wounds
54 7 received in military or naval combat against an armed enemy of
54 8 the United States may, upon written application to the
54 9 department and presentation of satisfactory proof of the award
54 10 of the purple heart medal, order special registration plates
54 11 with a purple heart processed emblem. The design of the
54 12 emblem shall include a representation of a purple heart medal
54 13 and ribbon. The application is subject to approval by the
54 14 department in consultation with the adjutant general. The
54 15 special plate fees collected by the director under subsection
54 16 12, paragraph "a", from the issuance and annual validation of
54 17 letter=number designated and personalized purple heart plates
54 18 shall be paid monthly to the treasurer of state and ~~credited~~
~~54 19 to~~ deposited in the road use tax fund. ~~Notwithstanding~~
~~54 20 section 423.43, and prior to the crediting of revenues to the~~
~~54 21 road use tax fund under section 423.43, subsection 1,~~
~~54 22 paragraph "b", the~~ The treasurer of state shall transfer
54 23 monthly from ~~those revenues~~ the revenues available for
54 24 purposes of this subsection under section 321.145, subsection
54 25 2, to the veterans license fee fund created in section 35A.11
54 26 the amount of the special fees collected in the previous month
54 27 for purple heart plates.

54 28 Sec. 63. Section 321.34, subsection 19, unnumbered
54 29 paragraph 1, Code Supplement 2007, is amended to read as
54 30 follows:

54 31 An owner referred to in subsection 12 who is a retired
54 32 member of the United States armed forces may, upon written
54 33 application to the department and upon presentation of
54 34 satisfactory proof of membership, order special registration
54 35 plates with a United States armed forces retired processed
55 1 emblem. The emblem shall be designed by the department in
55 2 consultation with service organizations. The application is
55 3 subject to approval by the department. For purposes of this
55 4 subsection, a person is considered to be retired if the person
55 5 is recognized by the United States armed forces as retired
55 6 from the United States armed forces. The special plate fees
55 7 collected by the director under subsection 12, paragraph "a",
55 8 from the issuance and annual validation of letter=number
55 9 designated and personalized armed forces retired plates shall
55 10 be paid monthly to the treasurer of state and ~~credited to~~
55 11 deposited in the road use tax fund. ~~Notwithstanding section~~
~~55 12 423.43, and prior to the crediting of revenues to the road use~~
~~55 13 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~55 14 the~~ The treasurer of state shall transfer monthly from ~~those~~
55 15 revenues the revenues available for purposes of this
55 16 subsection under section 321.145, subsection 2, to the
55 17 veterans license fee fund created in section 35A.11 the amount
55 18 of the special fees collected in the previous month for armed
55 19 forces retired plates.

55 20 Sec. 64. Section 321.34, subsection 20, unnumbered

55 21 paragraph 1, Code Supplement 2007, is amended to read as
55 22 follows:

55 23 An owner referred to in subsection 12 who was awarded a
55 24 silver or a bronze star by the United States government, may,
55 25 upon written application to the department and presentation of
55 26 satisfactory proof of the award of the silver or bronze star,
55 27 order special registration plates with a silver or bronze star
55 28 processed emblem. The emblem shall be designed by the
55 29 department in consultation with the adjutant general. The
55 30 special plate fees collected by the director under subsection
55 31 12, paragraph "a", from the issuance and annual validation of
55 32 letter-number designated and personalized silver star and
55 33 bronze star plates shall be paid monthly to the treasurer of
55 34 state and ~~credited to~~ deposited in the road use tax fund.

~~55 35 Notwithstanding section 423.43, and prior to the crediting of
56 1 revenues to the road use tax fund under section 423.43,
56 2 subsection 1, paragraph "b", the The treasurer of state shall
56 3 transfer monthly from those revenues the revenues available
56 4 for purposes of this subsection under section 321.145,
56 5 subsection 2, to the veterans license fee fund created in
56 6 section 35A.11 the amount of the special fees collected in the
56 7 previous month for silver star and bronze star plates.~~

56 8 Sec. 65. Section 321.34, subsection 20A, unnumbered
56 9 paragraph 1, Code Supplement 2007, is amended to read as
56 10 follows:

56 11 An owner referred to in subsection 12 who was awarded a
56 12 distinguished service cross, a navy cross, or an air force
56 13 cross by the United States government may, upon written
56 14 application to the department and presentation of satisfactory
56 15 proof of the award, order special registration plates with a
56 16 distinguished service cross, navy cross, or air force cross
56 17 processed emblem. The emblem shall be designed by the
56 18 department in consultation with the adjutant general. The
56 19 special plate fees collected by the director under subsection
56 20 12, paragraph "a", from the issuance and annual validation of
56 21 letter-number designated and personalized distinguished
56 22 service cross, navy cross, and air force cross plates shall be
56 23 paid monthly to the treasurer of state and ~~credited to~~
56 24 deposited in the road use tax fund. ~~Notwithstanding section~~

~~56 25 423.43, and prior to the crediting of revenues to the road use
56 26 tax fund under section 423.43, subsection 1, paragraph "b",
56 27 the The treasurer of state shall transfer monthly from those
56 28 revenues the revenues available for purposes of this
56 29 subsection under section 321.145, subsection 2, to the
56 30 veterans license fee fund created in section 35A.11 the amount
56 31 of the special fees collected in the previous month for
56 32 distinguished service cross, navy cross, and air force cross
56 33 plates.~~

56 34 Sec. 66. Section 321.34, subsection 20B, unnumbered
56 35 paragraph 1, Code Supplement 2007, is amended to read as
57 1 follows:

57 2 An owner referred to in subsection 12 who was awarded a
57 3 soldier's medal, a navy and marine corps medal, or an airman's
57 4 medal by the United States government may, upon written
57 5 application to the department and presentation of satisfactory
57 6 proof of the award, order special registration plates with a
57 7 soldier's medal, navy and marine corps medal, or airman's
57 8 medal processed emblem. The emblem shall be designed by the
57 9 department in consultation with the adjutant general. The
57 10 special plate fees collected by the director under subsection
57 11 12, paragraph "a", from the issuance and annual validation of
57 12 letter-number designated and personalized soldier's medal,
57 13 navy and marine corps medal, and airman's medal plates shall
57 14 be paid monthly to the treasurer of state and ~~credited to~~
57 15 deposited in the road use tax fund. ~~Notwithstanding section~~

~~57 16 423.43, and prior to the crediting of revenues to the road use
57 17 tax fund under section 423.43, subsection 1, paragraph "b",
57 18 the The treasurer of state shall transfer monthly from those
57 19 revenues the revenues available for purposes of this
57 20 subsection under section 321.145, subsection 2, to the
57 21 veterans license fee fund created in section 35A.11 the amount
57 22 of the special fees collected in the previous month for
57 23 soldier's medal, navy and marine corps medal, and airman's
57 24 medal plates.~~

57 25 Sec. 67. Section 321.34, subsection 21, paragraph c, Code
57 26 Supplement 2007, is amended to read as follows:

57 27 c. The special fees collected by the director under this
57 28 subsection shall be paid monthly to the treasurer of state and
57 29 ~~credited to~~ deposited in the road use tax fund.

~~57 30 Notwithstanding section 423.43, and prior to the crediting of
57 31 revenues to the road use tax fund under section 423.43,~~

~~57 32 subsection 1, paragraph "b", the The treasurer of state shall~~
~~57 33 credit monthly from the revenues available for purposes of~~
~~57 34 this subsection under section 321.145, subsection 2, to the~~
57 35 Iowa heritage fund created under section 303.9A the amount of
58 1 the special fees collected in the previous month for the Iowa
58 2 heritage plates.

58 3 Sec. 68. Section 321.34, subsection 22, paragraph b, Code
58 4 Supplement 2007, is amended to read as follows:

58 5 b. The special school transportation fee for letter number
58 6 designated education plates is thirty-five dollars. The fee
58 7 for personalized education plates is twenty-five dollars,
58 8 which shall be paid in addition to the special school
58 9 transportation fee of thirty-five dollars. The annual special
58 10 school transportation fee is ten dollars for letter number
58 11 designated registration plates and is fifteen dollars for
58 12 personalized registration plates which shall be paid in
58 13 addition to the regular annual registration fee. The fees
58 14 collected by the director under this subsection shall be paid
58 15 monthly to the treasurer of state and ~~credited to deposited in~~
58 16 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~58 17 prior to the crediting of revenues to the road use tax fund~~
~~58 18 under section 423.43, subsection 1, paragraph "b", the The~~
58 19 treasurer of state shall transfer monthly from ~~those revenues~~
58 20 the revenues available for purposes of this subsection under
58 21 section 321.145, subsection 2, to the school budget review
58 22 committee in accordance with section 257.31, subsection 17,
58 23 the amount of the special school transportation fees collected
58 24 in the previous month for the education plates.

58 25 Sec. 69. Section 321.34, subsection 23, paragraph c, Code
58 26 Supplement 2007, is amended to read as follows:

58 27 c. The special fee for letter number designated breast
58 28 cancer awareness plates is thirty-five dollars. The fee for
58 29 personalized breast cancer awareness plates is twenty-five
58 30 dollars, which shall be paid in addition to the special breast
58 31 cancer awareness fee of thirty-five dollars. The fees
58 32 collected by the director under this subsection shall be paid
58 33 monthly to the treasurer of state and ~~credited to deposited in~~
58 34 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~58 35 prior to the crediting of revenues to the road use tax fund~~
~~59 1 under section 423.43, subsection 1, paragraph "b", the The~~
59 2 treasurer of state shall transfer monthly from ~~those revenues~~
59 3 the revenues available for purposes of this subsection under
59 4 section 321.145, subsection 2, to the Iowa department of
59 5 public health the amount of the special fees collected in the
59 6 previous month for the breast cancer awareness plates and such
59 7 funds are appropriated to the Iowa department of public
59 8 health. The Iowa department of public health shall distribute
59 9 one hundred percent of the funds received monthly in the form
59 10 of grants to support breast cancer screenings for both men and
59 11 women who meet eligibility requirements like those established
59 12 by the Susan G. Komen foundation. In the awarding of grants,
59 13 the Iowa department of public health shall give first
59 14 consideration to affiliates of the Susan G. Komen foundation
59 15 and similar nonprofit organizations providing for breast
59 16 cancer screenings at no cost in Iowa. Notwithstanding section
59 17 8.33, moneys transferred under this subsection shall not
59 18 revert to the general fund of the state.

59 19 Sec. 70. Section 321.34, subsection 24, Code Supplement
59 20 2007, is amended to read as follows:

59 21 24. GOLD STAR PLATES. An owner referred to in subsection
59 22 12 who is the surviving spouse, parent, child, or sibling of a
59 23 deceased member of the United States armed forces who died
59 24 while serving on active duty during a time of military
59 25 conflict may order special registration plates bearing a gold
59 26 star emblem upon written application to the department
59 27 accompanied by satisfactory supporting documentation as
59 28 determined by the department. The gold star emblem shall be
59 29 designed by the department in cooperation with the commission
59 30 of veterans affairs. The special plate fees collected by the
59 31 director under subsection 12, paragraph "a", from the issuance
59 32 and annual validation of letter-number designated and
59 33 personalized gold star plates shall be paid monthly to the
59 34 treasurer of state and ~~credited to deposited in~~ the road use
59 35 tax fund. ~~Notwithstanding section 423.43, and prior to the~~
~~60 1 crediting of revenues to the road use tax fund under section~~
~~60 2 423.43, subsection 1, paragraph "b", the The treasurer of~~
60 3 state shall transfer monthly from ~~those revenues~~ the revenues
60 4 available for purposes of this subsection under section
60 5 321.145, subsection 2, to the veterans license fee fund
60 6 created in section 35A.11 the amount of the special fees
60 7 collected in the previous month for gold star plates.

60 8 Sec. 71. Section 321.39, subsections 3 and 4, Code 2007,
60 9 are amended to read as follows:

60 10 3. For vehicles on which the first installment of an
60 11 annual registration fee has been paid, at midnight on the last
60 12 day of June or the first business day of July when June 30
60 13 falls on Saturday, Sunday, or a holiday; for vehicles on which
60 14 the second installment of an annual registration fee has been
60 15 paid, at midnight on the last day of December or the first
60 16 business day of January when December 31 falls on Saturday,
60 17 Sunday, or a holiday.

60 18 4. For vehicles registered without payment of annual
60 19 registration fees as provided in section 321.19, when
60 20 designated by the department.

60 21 5. Registration for every vehicle registered by the county
60 22 treasurer shall expire upon transfer of ownership.

60 23 Sec. 72. Section 321.40, subsection 1, Code Supplement
60 24 2007, is amended to read as follows:

60 25 1. Application for renewal of a vehicle registration shall
60 26 be made on or after the first day of the month prior to the
60 27 month of expiration of registration and up to and including
60 28 the last day of the month following the month of expiration of
60 29 registration. The registration shall be renewed upon payment
60 30 of the appropriate annual registration fee. Application for
60 31 renewal for a vehicle registered under chapter 326 shall be
60 32 made on or after the first day of the month of expiration of
60 33 registration and up to and including the last day of the month
60 34 following the month of expiration of registration.

60 35 Sec. 73. Section 321.46, subsections 2, 3, 4, 6, and 7,
61 1 Code 2007, are amended to read as follows:

61 2 2. Upon filing the application for a new registration and
61 3 a new title, the applicant shall pay a title fee of ten
61 4 dollars ~~and a~~, an annual registration fee prorated for the
61 5 remaining unexpired months of the registration year, and a fee
61 6 for new registration if applicable. A manufacturer applying
61 7 for a certificate of title pursuant to section 322G.12 shall
61 8 pay a title fee of two dollars. However, a title fee shall
61 9 not be charged to a manufactured or mobile home retailer
61 10 applying for a certificate of title for a used mobile home or
61 11 manufactured home, titled in Iowa, as required under section
61 12 321.45, subsection 4. The county treasurer, if satisfied of
61 13 the genuineness and regularity of the application, and in the
61 14 case of a mobile home or manufactured home, that taxes are not
61 15 owing under chapter 435, and that applicant has complied with
61 16 all the requirements of this chapter, shall issue a new
61 17 certificate of title and, except for a mobile home,
61 18 manufactured home, or a vehicle returned to and accepted by a
61 19 manufacturer as described in section 322G.12, a registration
61 20 card to the purchaser or transferee, shall cancel the prior
61 21 registration for the vehicle, and shall forward the necessary
61 22 copies to the department on the date of issuance, as
61 23 prescribed in section 321.24. Mobile homes or manufactured
61 24 homes titled under chapter 448 that have been subject under
61 25 section 446.18 to a public bidder sale in a county shall be
61 26 titled in the county's name, with no fee, and the county
61 27 treasurer shall issue the title.

61 28 3. The applicant shall be entitled to a credit for that
61 29 portion of the annual registration fee of the vehicle sold,
61 30 traded, or junked which had not expired prior to the transfer
61 31 of ownership of the vehicle. The annual registration fee for
61 32 the new registration for the vehicle acquired shall be reduced
61 33 by the amount of the credit. The credit shall be computed on
61 34 the basis of the number of months remaining in the
61 35 registration year, rounded to the nearest whole dollar. The
62 1 credit shall be subject to the following limitations:

62 2 a. The credit shall be claimed within thirty days from the
62 3 date the vehicle for which credit is granted was sold,
62 4 transferred, or junked. After thirty days, all credits shall
62 5 be disallowed.

62 6 b. Any credit granted to the owner of a vehicle which has
62 7 been sold, traded, or junked may only be claimed by that
62 8 person toward the annual registration fee for another vehicle
62 9 purchased and the credit may not be sold, transferred, or
62 10 assigned to any other person.

62 11 c. When the amount of the credit is computed to be an
62 12 amount of less than ten dollars, a credit shall be disallowed.

62 13 d. To claim a credit for the unexpired annual registration
62 14 fee on a junked vehicle, the county treasurer shall disallow
62 15 any claim for credit unless the owner presents a junking
62 16 certificate or other evidence as required by the department to
62 17 the county treasurer.

62 18 e. A credit shall not be allowed to any person who has

62 19 made claim to receive a refund under section 321.126.
62 20 f. If the credit allowed exceeds the amount of the annual
62 21 registration fee for the vehicle acquired, the owner may claim
62 22 a refund under section 321.126, subsection 6, for the balance
62 23 of the credit.
62 24 g. The credit shall be computed on the unexpired number of
62 25 months computed from the date of purchase of the vehicle
62 26 acquired.
62 27 4. If the annual registration fee upon application is
62 28 delinquent, the applicant shall be required to pay the
62 29 delinquent fee from the first day the annual registration fee
62 30 was due prorated to the month of application for new title.
62 31 6. An applicant for a new registration for a vehicle
62 32 transferred to the applicant by a spouse, parent, or child of
62 33 the applicant, or by operation of law upon inheritance, devise
62 34 or bequest, from the applicant's spouse, parent, or child, or
62 35 by a former spouse pursuant to a decree of dissolution of
63 1 marriage, is entitled to a credit to be applied to the annual
63 2 registration fee for the transferred vehicle. A credit shall
63 3 not be allowed unless the vehicle to which the credit applies
63 4 is registered within the time specified under subsection 1.
63 5 The credit shall be computed on the basis of the number of
63 6 unexpired months remaining in the registration year of the
63 7 former owner computed from the date the vehicle was
63 8 transferred, computed to the nearest whole dollar. The credit
63 9 may exceed the amount of the annual registration fee for the
63 10 transferred vehicle. When the amount of the credit is
63 11 computed to be an amount of less than ten dollars, the credit
63 12 shall be disallowed. The credit shall not be sold,
63 13 transferred, or assigned to any other person.
63 14 7. If a motor vehicle is leased and the lessee purchases
63 15 the vehicle upon termination of the lease, the lessor shall,
63 16 upon claim by the lessee with the lessor within thirty days of
63 17 the purchase, assign the annual registration fee credit and
63 18 registration plates for the leased motor vehicle to the
63 19 lessee. Credit shall be applied as provided in subsection 3.
63 20 Sec. 74. Section 321.46A, Code 2007, is amended to read as
63 21 follows:
63 22 321.46A CHANGE FROM PROPORTIONAL REGISTRATION == CREDIT.
63 23 An owner changing a vehicle's registration from
63 24 proportional registration under chapter 326 to registration
63 25 under this chapter shall be entitled to a credit on the
63 26 vehicle's annual registration fees under this chapter. The
63 27 credit shall be allowed when the owner surrenders to the
63 28 county treasurer proof of proportional registration provided
63 29 by the department. The amount of the credit shall be
63 30 calculated based on the unexpired complete calendar months
63 31 remaining in the registration year from the date the
63 32 application is filed with the county treasurer.
63 33 Sec. 75. Section 321.52, subsections 1 and 3, Code
63 34 Supplement 2007, are amended to read as follows:
63 35 1. When a vehicle is sold outside the state for purposes
64 1 other than for junk, the owner, dealer or otherwise, shall
64 2 detach the registration plates and registration card and shall
64 3 indicate on the registration card the name and address of the
64 4 foreign purchaser or transferee over the person's signature.
64 5 Unless the registration plates are legally attached to another
64 6 vehicle, the owner shall surrender the registration plates and
64 7 registration card to the county treasurer, who shall cancel
64 8 the records, destroy the registration plates, and forward the
64 9 registration card to the department. The department shall
64 10 make a notation on the records of the out-of-state sale and,
64 11 after a reasonable period, may destroy the files for that
64 12 particular vehicle. The department is not authorized to make
64 13 a refund of annual registration fees on a vehicle sold out of
64 14 state unless it receives the registration card completed as
64 15 provided in this section.
64 16 3. When a vehicle for which a certificate of title is
64 17 issued is junked or dismantled by the owner, the owner shall
64 18 detach the registration plates and surrender the plates to the
64 19 county treasurer, unless the plates are properly assigned to
64 20 another vehicle. The owner shall also surrender the
64 21 certificate of title to the county treasurer. Upon
64 22 surrendering the certificate of title and application for
64 23 junking certificate, the county treasurer shall issue to the
64 24 person, without fee, a junking certificate, which shall
64 25 authorize the holder to possess, transport or transfer
64 26 ownership of the junked vehicle by endorsement of the junking
64 27 certificate. The county treasurer shall hold the surrendered
64 28 certificate of title, registration receipt, application for
64 29 junking certificate, and, if applicable, the registration

64 30 plates for a period of fourteen days following the issuance of
64 31 a junking certificate under this subsection. Within the
64 32 fourteen-day period the person who was issued the junking
64 33 certificate and to whom the vehicle was titled or assigned may
64 34 surrender to the county treasurer the junking certificate, and
64 35 upon the person's payment of appropriate fees and taxes and
65 1 payment of any credit for annual registration fees received by
65 2 the person for the vehicle under section 321.46, subsection 3,
65 3 the county treasurer shall issue to the person a certificate
65 4 of title for the vehicle. After the expiration of the
65 5 fourteen-day period, a county treasurer shall not issue a
65 6 certificate of title for a junked vehicle for which a junking
65 7 certificate is issued. The county treasurer shall cancel the
65 8 record of the vehicle and forward the certificate of title to
65 9 the department.

65 10 However, upon application the department upon a showing of
65 11 good cause may issue a certificate of title after the
65 12 fourteen-day period for a junked vehicle for which a junking
65 13 certificate has been issued. For purposes of this subsection,
65 14 "good cause" means that the junking certificate was obtained
65 15 by mistake or inadvertence. If a person's application to the
65 16 department is denied, the person may make application for a
65 17 certificate of title under the bonding procedure as provided
65 18 in section 321.24, if the vehicle qualifies as an antique
65 19 vehicle under section 321.115, subsection 1, or the person may
65 20 seek judicial review as provided under sections 17A.19 and
65 21 17A.20.

65 22 Sec. 76. Section 321.70, Code 2007, is amended to read as
65 23 follows:

65 24 321.70 DEALER VEHICLES.

65 25 A dealer registered under this chapter shall not be
65 26 required to register any vehicle owned by the dealer which is
65 27 being held for sale or trade, provided the annual registration
65 28 fee was not delinquent at the time the vehicle was acquired by
65 29 the dealer. When a dealer ceases to hold any vehicle for sale
65 30 or trade or the vehicle otherwise becomes subject to
65 31 registration under this chapter the annual registration fee
65 32 and delinquent annual registration fee, if any, shall be due
65 33 for the registration year.

65 34 Sec. 77. Section 321.101, subsection 1, paragraph d, Code
65 35 Supplement 2007, is amended to read as follows:

66 1 d. When the department determines that the required annual
66 2 registration fee has not been paid and the fee is not paid
66 3 upon reasonable notice and demand.

66 4 Sec. 78. Section 321.101A, Code 2007, is amended to read
66 5 as follows:

66 6 321.101A REVOCATION OF REGISTRATION BY COUNTY TREASURER.

66 7 The county treasurer may revoke the registration and
66 8 registration plates of a vehicle if the annual registration
66 9 ~~fees are fee or the fee for new registration is~~ paid by check,
66 10 electronic payment, or credit card and the check, electronic
66 11 payment, or credit card is not honored by the payer's
66 12 financial institution or credit card company, upon reasonable
66 13 notice and demand. The owner of the vehicle or person in
66 14 possession of the registration and registration plates for the
66 15 vehicle shall immediately return the revoked registration and
66 16 registration plates to the appropriate county treasurer's
66 17 office.

66 18 Sec. 79. Section 321.105, Code 2007, is amended to read as
66 19 follows:

66 20 321.105 ANNUAL REGISTRATION FEE REQUIRED.

66 21 1. An annual registration fee shall be paid for each
66 22 vehicle operated upon the public highways of this state unless
66 23 the vehicle is specifically exempted under this chapter. If a
66 24 vehicle, which has been registered for the current
66 25 registration year, is transferred during the registration
66 26 year, the transferee shall reregister the vehicle as provided
66 27 in section 321.46.

66 28 2. The annual registration fee shall be paid to the county
66 29 treasurer at the same time the application is made for the
66 30 registration or reregistration of the motor vehicle or
66 31 trailer. An owner may, when applying for registration or
66 32 reregistration of a motor vehicle or trailer, request that the
66 33 plates be mailed to the owner's post-office address. The
66 34 owner's request shall be accompanied by a mailing fee as
66 35 determined annually by the director in consultation with the
67 1 Iowa county treasurers association.

67 2 3. Upon application by a financial institution, as defined
67 3 in section 422.61, and approval of the application by the
67 4 county treasurer, the county treasurer in any county may
67 5 authorize the financial institution to receive applications

67 6 for renewal of vehicle registrations and payment of the annual
67 7 registration fees. The annual registration fees shall be
67 8 delivered to the county treasurer at the time the county
67 9 treasurer has processed the vehicle registration application.
67 10 ~~Registration~~ Annual registration fees received with vehicle
67 11 registration applications shall be designated as public funds
67 12 only upon receipt of such funds by the county treasurer from
67 13 the financial institution.

67 14 4. In addition to the payment of an annual registration
67 15 fee for each trailer and semitrailer to be issued an annual
67 16 registration plate, an additional registration fee may be paid
67 17 for a period of two or four subsequent registration years.

67 18 5. Seriously disabled veterans who have been provided with
67 19 an automobile or other vehicle by the United States government
67 20 under the provisions of sections 1901 to 1903, Title 38 of the
67 21 United States Code, 38 U.S.C. } 1901 et seq. (1970), shall be
67 22 exempt from payment of any automobile registration fee
67 23 provided in this chapter, and shall be provided, without fee,
67 24 with a registration plate. The disabled veteran, to be able
67 25 to claim the above benefit, must be a resident of the state of
67 26 Iowa. The disabled veteran may obtain a special or
67 27 personalized plate under section 321.34 by paying the
67 28 difference between the fee for a regular registration plate
67 29 and the fee for the special or personalized registration
67 30 plate.

67 31 Sec. 80. Section 321.106, subsections 1, 2, and 4, Code
67 32 2007, are amended to read as follows:

67 33 1. When a vehicle is registered under chapter 326 or a
67 34 motor truck, truck tractor, or road tractor is registered for
67 35 a combined gross weight exceeding five tons and there is no
68 1 delinquency and the registration is made in February or
68 2 succeeding months through November, the annual registration
68 3 fee shall be prorated for the remaining unexpired months of
68 4 the registration year. A fee shall not be required for the
68 5 month of December for a vehicle registered on a calendar year
68 6 basis on which there is no delinquency. However, except for a
68 7 vehicle registered under chapter 326, when such a vehicle is
68 8 registered in November, the vehicle may be registered for the
68 9 remaining unexpired months of the registration year or for the
68 10 remaining unexpired months of the registration year and for
68 11 the next registration year, upon payment of the applicable
68 12 registration fees.

68 13 2. When a vehicle is registered on a birth month basis and
68 14 there is no delinquency and the registration is made in the
68 15 month after the beginning of the registration year or
68 16 succeeding months, the annual registration fee shall be
68 17 prorated for the remaining unexpired months of the
68 18 registration year. A fee shall not be required for the month
68 19 of the owner's birthday for a vehicle on which there is no
68 20 delinquency. However, when a vehicle registered on a birth
68 21 month basis is registered during the eleventh month of the
68 22 registration year, the vehicle may be registered for the
68 23 remaining unexpired months of the registration year or for the
68 24 remaining unexpired months of the registration year and for
68 25 the next registration year, upon payment of the applicable
68 26 registration fees.

68 27 4. A reduction in the annual registration fee shall not be
68 28 allowed by the department until the applicant files
68 29 satisfactory evidence to prove that there is no delinquency in
68 30 registration.

68 31 Sec. 81. Section 321.109, subsection 3, Code 2007, is
68 32 amended to read as follows:

68 33 3. The owner of an unregistered motor vehicle or motor
68 34 vehicle for which the registration is delinquent may make
68 35 application to the county treasurer of the county of residence
69 1 or, if the unregistered or delinquent motor vehicle is
69 2 purchased by a nonresident of the state, to the county
69 3 treasurer in the county of purchase, for a temporary
69 4 thirty-day permit for a fee of twenty-five dollars. The
69 5 permit shall authorize the motor vehicle to be driven or towed
69 6 upon the highway, but shall not authorize a motor truck or
69 7 truck tractor to haul or tow a load. The permit fee shall not
69 8 be considered a registration fee or exempt the owner from
69 9 payment of all other fees, registration fees, and penalties
69 10 due. If the annual registration fee for the motor vehicle is
69 11 delinquent, the annual registration fee and penalty shall
69 12 continue to accrue until paid. The permit fee shall not be
69 13 prorated, refunded, or used as credit as provided under
69 14 section 321.46. The permit shall be displayed in the upper
69 15 left-hand corner of the rear window of all motor vehicles,
69 16 except motorcycles. Permits issued for a motorcycle shall be

69 17 attached to the rear of the motorcycle.

69 18 Sec. 82. Section 321.110, Code 2007, is amended to read as

69 19 follows:

69 20 321.110 REJECTING FRACTIONAL DOLLARS.

69 21 When the annual registration fee, computed according to

69 22 section 321.109, subsection 1, totals a fraction over a

69 23 certain number of dollars the fee shall be arrived at by

69 24 computing to the nearest even dollar.

69 25 Sec. 83. Section 321.113, Code 2007, is amended to read as

69 26 follows:

69 27 321.113 AUTOMATIC REDUCTION.

69 28 1. The annual registration fee for a motor vehicle shall

69 29 not be automatically reduced under this section unless the

69 30 ~~registration~~ fee is based on the value and weight of the motor

69 31 vehicle as provided in section 321.109, subsection 1.

69 32 2. If a motor vehicle is more than five model years old,

69 33 the part of the annual registration fee that is based on the

69 34 value of the vehicle shall be seventy-five percent of the rate

69 35 as fixed when the motor vehicle was new.

70 1 3. If a motor vehicle is more than six model years old,

70 2 the part of the annual registration fee that is based on the

70 3 value of the vehicle shall be fifty percent of the rate as

70 4 fixed when the motor vehicle was new.

70 5 4. If a 1994 model year or newer motor vehicle is nine

70 6 model years old or older the annual registration fee is

70 7 thirty-five dollars. For purposes of determining the portion

70 8 of the annual registration fee under this subsection that is

70 9 based upon the value of the motor vehicle, sixty percent of

70 10 the annual registration fee is attributable to the value of

70 11 the vehicle.

70 12 5. a. If a 1993 model year or older motor vehicle has

70 13 been titled in the same person's name since the vehicle was

70 14 new or the title to the vehicle was transferred prior to

70 15 January 1, 2002, the part of the annual registration fee that

70 16 is based on the value of the vehicle shall be ten percent of

70 17 the rate as fixed when the motor vehicle was new.

70 18 b. If the title of a 1993 model year or older motor

70 19 vehicle is transferred to a new owner or if such a motor

70 20 vehicle is brought into the state on or after January 1, 2002,

70 21 the annual registration fee shall not be based on the weight

70 22 and list price of the motor vehicle, but shall be as follows:

70 23 (1) For a motor vehicle that is model year

70 24 1969 or older:..... \$ 16.00

70 25 (2) For a motor vehicle that is model year

70 26 1970 through 1989:..... \$ 23.00

70 27 (3) For a motor vehicle that is model year

70 28 1990 through 1993:..... \$ 27.00

70 29 For purposes of determining the portion of the annual

70 30 registration fee under this paragraph "b" that is based upon

70 31 the value of the motor vehicle, sixty percent of the annual

70 32 registration fee is attributable to the value of the vehicle.

70 33 Sec. 84. Section 321.117, Code 2007, is amended to read as

70 34 follows:

70 35 321.117 MOTORCYCLE, AMBULANCE, AND HEARSE FEES.

71 1 For all motorcycles the annual registration fee shall be

71 2 twenty dollars. For all motorized bicycles the annual

71 3 registration fee shall be seven dollars. When the motorcycle

71 4 is more than five model years old, the annual registration fee

71 5 shall be ten dollars. The annual registration fee for

71 6 ambulances and hearses shall be fifty dollars. Passenger car

71 7 plates shall be issued for ambulances and hearses.

71 8 Sec. 85. Section 321.119, Code 2007, is amended to read as

71 9 follows:

71 10 321.119 CHURCH BUSES.

71 11 For motor vehicles designed to carry nine passengers or

71 12 more which are owned and used exclusively by a church or

71 13 religious organization to transport passengers to and from

71 14 activities of or sponsored by the church or religious

71 15 organization and not operated for rent or hire for purposes

71 16 unrelated to the activities of the church or religious

71 17 organization, the annual registration fee shall be twenty-five

71 18 dollars.

71 19 Sec. 86. Section 321.121, Code 2007, is amended to read as

71 20 follows:

71 21 321.121 SPECIAL TRUCKS FOR FARM USE.

71 22 1. The annual registration fee for a special truck shall

71 23 be eighty dollars for a gross weight of six tons, one hundred

71 24 dollars for a gross weight of seven tons, one hundred twenty

71 25 dollars for a gross weight of eight tons, and in addition,

71 26 fifteen dollars for each ton over eight tons and not exceeding

71 27 eighteen tons. The annual registration fee for a special

71 28 truck with a gross weight registration exceeding eighteen tons
71 29 but not exceeding nineteen tons shall be three hundred
71 30 twenty-five dollars and for a gross weight registration
71 31 exceeding nineteen tons but not exceeding twenty tons the
71 32 annual registration fee shall be three hundred seventy-five
71 33 dollars. The additional annual registration fee for a special
71 34 truck for a gross weight registration in excess of twenty tons
71 35 is twenty-five dollars for each ton over twenty tons and not
72 1 exceeding thirty-two tons.

72 2 2. A person convicted of or found by audit to be using a
72 3 motor vehicle registered as a special truck for any purpose
72 4 other than permitted by section 321.1, subsection 76, shall,
72 5 in addition to any other penalty imposed by law, be required
72 6 to pay regular annual motor vehicle registration fees upon for
72 7 such motor vehicle.

72 8 Sec. 87. Section 321.123, unnumbered paragraph 1, Code
72 9 2007, is amended to read as follows:

72 10 All trailers except farm trailers, mobile homes, and
72 11 manufactured homes, unless otherwise provided in this section,
72 12 are subject to ~~a~~ an annual registration fee of ten dollars.
72 13 Trailers for which the empty weight is two thousand pounds or
72 14 less are exempt from the certificate of title and lien
72 15 provisions of this chapter. Fees collected under this section
72 16 shall not be reduced or prorated under chapter 326.

72 17 Sec. 88. Section 321.123, subsection 1, unnumbered
72 18 paragraph 1, Code 2007, is amended to read as follows:

72 19 Travel trailers and fifth-wheel travel trailers, except
72 20 those in manufacturer's or dealer's stock, shall be subject to
72 21 an annual registration fee of twenty cents per square foot of
72 22 floor space computed on the exterior overall measurements, but
72 23 excluding three feet occupied by any trailer hitch as provided
72 24 by and certified to by the owner, to the nearest whole dollar.
72 25 When a travel trailer or fifth-wheel travel trailer is
72 26 registered in Iowa for the first time or when title is
72 27 transferred, the annual registration fee shall be prorated on
72 28 a monthly basis. The annual registration fee shall be reduced
72 29 to seventy-five percent of the full fee after the vehicle is
72 30 more than six model years old.

72 31 Sec. 89. Section 321.125, Code 2007, is amended to read as
72 32 follows:

72 33 321.125 EFFECT OF EXEMPTION.

72 34 The exemption of a motor vehicle from ~~a~~ an annual
72 35 registration fee or a fee for new registration shall not
73 1 exempt the operator of such vehicle from the performance of
73 2 any other duty imposed on the operator by this chapter.

73 3 Sec. 90. Section 321.126, Code 2007, is amended to read as
73 4 follows:

73 5 321.126 REFUNDS OF ANNUAL REGISTRATION FEES.

73 6 Refunds of unexpired annual vehicle registration fees shall
73 7 be allowed in accordance with this section, except that no
73 8 refund shall be allowed and paid if the unused portion of the
73 9 fee is less than ten dollars. Subsections 1 and 2 do not
73 10 apply to vehicles registered by the county treasurer. The
73 11 refunds shall be made as follows:

73 12 1. If the vehicle is destroyed by fire or accident, or
73 13 junked and its identity as a vehicle entirely eliminated, the
73 14 owner in whose name the vehicle was registered at the time of
73 15 destruction or dismantling shall return the plates to the
73 16 department and within thirty days thereafter make a statement
73 17 of such destruction or dismantling and make claim for refund.
73 18 With reference to the destruction or dismantling of a vehicle,
73 19 no refund shall be allowed unless a junking certificate has
73 20 been issued, as provided in section 321.52.

73 21 2. If the vehicle is stolen, the owner shall give notice
73 22 of the theft to the department within five days. If the
73 23 vehicle is not recovered by the owner thirty days prior to the
73 24 end of the current registration year, the owner shall make a
73 25 statement of the theft and make claim for refund.

73 26 3. If the vehicle is placed in storage by the owner upon
73 27 the owner's entry into the military service of the United
73 28 States, the owner shall return the plates to the county
73 29 treasurer or the department and make a statement regarding the
73 30 storage and military service and make claim for refund.
73 31 Whenever the owner of a vehicle so placed in storage desires
73 32 to again register the vehicle, the county treasurer or
73 33 department shall compute and collect the fees for registration
73 34 for the registration year commencing in the month the vehicle
73 35 is removed from storage.

74 1 4. If the vehicle is registered by the county treasurer
74 2 during the current registration year and the owner or lessee
74 3 registers the vehicle for proportional registration under

74 4 chapter 326, the owner of the registered vehicle shall
74 5 surrender the registration plates to the county treasurer and
74 6 may file a claim for refund. In lieu of a refund, a credit
74 7 for the annual registration fees paid to the county treasurer
74 8 may be applied by the department to the owner or lessee's
74 9 proportional registration fees upon the surrender of the
74 10 county plates and registration.

74 11 5. A refund for trailers and semitrailers issued a
74 12 multiyear registration plate shall be paid by the department
74 13 upon application.

74 14 6. If a vehicle is sold or junked, the owner in whose name
74 15 the vehicle was registered may make claim to the county
74 16 treasurer or department for a refund of the sold or junked
74 17 vehicle's annual registration fee. Also if the owner of a
74 18 vehicle receives a vehicle registration fee credit under
74 19 section 321.46, subsection 3, and the credit allowed exceeds
74 20 the amount of the annual registration fee for the vehicle
74 21 acquired, the owner may claim a refund for the balance of the
74 22 credit. The refund is subject to the following limitations:

74 23 a. If a vehicle registration fee credit has not been
74 24 received by the owner of the vehicle under section 321.46,
74 25 subsection 3, the refund shall be computed on the basis of the
74 26 number of unexpired months remaining in the registration year
74 27 at the time the vehicle was sold or junked. The refund shall
74 28 be rounded to the nearest whole dollar. Section 321.127,
74 29 subsection 1, does not apply.

74 30 b. The refund shall only be allowed if the owner makes
74 31 claim for the refund within six months after the date of the
74 32 vehicle's sale, trade, or junking.

74 33 c. This subsection does not apply to vehicles registered
74 34 under chapter 326.

74 35 7. If the vehicle was leased and an affidavit was filed by
75 1 the lessor or the lessee as provided in section 321.46, the
75 2 lessor or the lessee, as applicable, may make a claim for a
75 3 refund with the county treasurer of the county where the
75 4 vehicle was registered within six months of the vehicle's
75 5 surrender to the lessor. The refund shall be paid to either
75 6 the lessor or the lessee, as specified on the application for
75 7 title and registration pursuant to section 321.20.

75 8 8. If the owner of the vehicle moves out of state, the
75 9 owner may make a claim for a refund by returning the Iowa
75 10 registration plates, along with evidence of the vehicle's
75 11 registration in another jurisdiction, to the county treasurer
75 12 of the county in which the vehicle was registered within six
75 13 months of the out-of-state registration. For purposes of
75 14 section 321.127, the unexpired months remaining in the
75 15 registration year shall be calculated on the basis of the
75 16 effective date of the out-of-state registration. However, for
75 17 the purpose of timely issuance of the refund, the claim for a
75 18 refund under this subsection is considered to be filed on the
75 19 date the registration documents are received by the county
75 20 treasurer.

75 21 9. Notwithstanding any provision of this section to the
75 22 contrary, there shall be no refund of proportional
75 23 registration fees unless the state which issued the base plate
75 24 for the vehicle allows such refund. If an owner subject to
75 25 proportional registration leases the vehicle for which the
75 26 refund is sought, the claim shall be filed in the names of
75 27 both the lessee and the lessor and the refund payment made
75 28 payable to both the lessor and the lessee. The term "owner"
75 29 for purposes of this section shall include a person in whom is
75 30 vested right of possession or control of a vehicle which is
75 31 subject to a lease, contract, or other legal arrangement
75 32 vesting right of possession or control in addition to the term
75 33 as defined in section 321.1, subsection 49.

75 34 Sec. 91. Section 321.127, subsection 1, Code 2007, is
75 35 amended to read as follows:

76 1 1. The refund of the annual registration fee for vehicles
76 2 shall be computed on the basis of the number of unexpired
76 3 months remaining in the registration year from date of filing
76 4 of the claim for refund with the county treasurer, computed to
76 5 the nearest dollar.

76 6 Sec. 92. Section 321.132, Code 2007, is amended to read as
76 7 follows:

76 8 321.132 WHEN LIEN ATTACHES.

76 9 The lien of the original annual registration fee attaches,
76 10 at the time the fee is first payable, as provided by law, and
76 11 the lien of all renewals of registration attach on the first
76 12 day of each succeeding registration year.

76 13 Sec. 93. Section 321.134, Code Supplement 2007, is amended
76 14 to read as follows:

76 15 321.134 MONTHLY PENALTY.

76 16 1. On the first day of the second month following the
76 17 beginning of each registration year a penalty of five percent
76 18 of the annual registration fee shall be added to the annual
76 19 registration fees not paid by that date and an additional
76 20 penalty of five percent shall be added the first day of each
76 21 succeeding month, until the fee is paid. A penalty shall not
76 22 be less than five dollars. If the owner of a vehicle
76 23 surrenders the registration plates for a vehicle prior to the
76 24 plates becoming delinquent, to the county treasurer of the
76 25 county where the vehicle is registered, or to the department
76 26 if the vehicle is registered under chapter 326, the owner may
76 27 register the vehicle any time thereafter upon payment of the
76 28 annual registration fee for the registration year without
76 29 penalty. The penalty on vehicles registered under chapter 326
76 30 shall accrue February 1 of each year. To avoid a penalty or
76 31 an additional penalty in the case of a delinquent
76 32 registration, if the last calendar day of a month falls on
76 33 Saturday, Sunday, or a holiday, the payment deadline is
76 34 extended to include the first business day of the following
76 35 month. For payments made through a county treasurer's
77 1 authorized website only, if the last day of the month falls on
77 2 a Saturday, Sunday, or a holiday, the electronic payment must
77 3 be initiated by midnight on the first business day of the next
77 4 month. All other electronic payments must be initiated by
77 5 midnight on the last day of the month preceding the delinquent
77 6 date.

77 7 2. The annual registration fee for trucks, truck tractors,
77 8 and road tractors, as provided in sections 321.121 and
77 9 321.122, may be payable in two equal semiannual installments
77 10 if the annual registration fee exceeds the annual registration
77 11 fee for a vehicle with a gross weight exceeding five tons.
77 12 The penalties provided in subsection 1 shall be computed on
77 13 the amount of the first installment only and on the first day
77 14 of the seventh month of the registration period the same rate
77 15 of penalty shall apply to the second installment, until the
77 16 fee is paid. Semiannual installments do not apply to
77 17 commercial vehicles, as defined under section 326.2, subject
77 18 to proportional registration, with a base state other than the
77 19 state of Iowa, as defined in section 326.2, subsection 1. The
77 20 penalty on vehicles registered under chapter 326 accrues
77 21 August 1 of each year except as provided in section 326.6.
77 22 The department shall not allow the annual registration fee for
77 23 a commercial vehicle registered under chapter 326 to be paid
77 24 in two equal semiannual installments for five years after the
77 25 registrant has paid the annual registration fee late for two
77 26 consecutive years.

77 27 3. If a penalty applies to ~~a~~ an annual vehicle
77 28 registration fee provided for in sections 321.121 and 321.122,
77 29 the same penalty shall be assessed on the fees collected to
77 30 increase the registered gross weight of the vehicle, if the
77 31 increased gross weight is requested within forty-five days
77 32 from the date the delinquent vehicle is registered for the
77 33 current registration period.

77 34 4. Notwithstanding subsections 1 through 3, if a vehicle
77 35 registration is delinquent for twenty-four months or more, a
78 1 flat penalty and fee shall be assessed for the delinquent
78 2 period in addition to the current annual registration fee.
78 3 The flat penalty and fee shall be one hundred fifty percent of
78 4 the current annual registration fee.

78 5 5. The department shall waive the penalties imposed by
78 6 this section for an owner who is in the military service of
78 7 the United States and who has been relocated as a result of
78 8 being placed on active duty on or after September 11, 2001.
78 9 The department shall adopt rules to implement this subsection,
78 10 including, if necessary, procedures for refunding penalties
78 11 collected prior to March 29, 2004.

78 12 Sec. 94. Section 321.135, Code 2007, is amended to read as
78 13 follows:

78 14 321.135 WHEN FEES DELINQUENT.

78 15 Except as otherwise provided, ~~delinquencies begin~~ annual
78 16 registration fees become delinquent and penalties accrue the
78 17 first of the month following the purchase of a new vehicle,
78 18 and thirty days following the date a vehicle is brought into
78 19 the state.

78 20 Sec. 95. Section 321.151, Code 2007, is amended to read as
78 21 follows:

78 22 321.151 DUTY AND LIABILITY OF TREASURER.

78 23 The county treasurer shall collect the registration fee,
78 24 the fee for new registration, and penalties on each vehicle
78 25 registered by the county treasurer and shall be responsible on

78 26 the county treasurer's bond for such amount. The county
78 27 treasurer shall remit such amount to the treasurer of state as
78 28 provided in this chapter. Fees collected pursuant to
78 29 participation in county issuance of driver's licenses under
78 30 chapter 321M shall be governed by the provisions of that
78 31 chapter.

78 32 Sec. 96. Section 321.152, subsection 1, Code 2007, is
78 33 amended to read as follows:

78 34 1. Four percent of the total collection, excluding the
78 35 amount of any fee for new registration, for each annual or

79 1 semiannual vehicle registration and each duplicate
79 2 registration card or plate issued.

79 3 Sec. 97. Section 321.152, Code 2007, is amended by adding
79 4 the following new subsection:

79 5 NEW SUBSECTION. 5. One dollar from each fee for new
79 6 registration collected pursuant to section 321.105A.

79 7 Sec. 98. Section 321.159, Code 2007, is amended to read as
79 8 follows:

79 9 321.159 EXCEPTIONAL CASES == ANNUAL REGISTRATION FEE.

79 10 The department shall have the power to fix the annual
79 11 registration fee on all makes and models of motor vehicles
79 12 which are not now being furnished or upon which the statement
79 13 from the factory cannot be obtained.

79 14 For a current year model of a motor vehicle for which the
79 15 manufacturer or importer of the motor vehicle has not provided
79 16 the weight and list price, the department shall set the annual
79 17 registration fee at ten dollars greater than the annual
79 18 registration fee for the previous year model. Once the
79 19 manufacturer or importer provides the required information,
79 20 the information shall be used to set the annual registration
79 21 fee or the registration renewal fee for the succeeding
79 22 registration or registration renewal time for the motor
79 23 vehicle.

79 24 Sec. 99. Section 321.170, Code 2007, is amended to read as
79 25 follows:

79 26 321.170 PLATES FOR EXEMPT VEHICLES.

79 27 The department shall furnish, on application, free of
79 28 charge, distinguishing plates for motor vehicles exempted from
79 29 ~~a~~ annual registration ~~fee~~ fees and shall keep a separate
79 30 record thereof.

79 31 Sec. 100. Section 322G.4, subsection 2, unnumbered
79 32 paragraph 2, Code 2007, is amended to read as follows:

79 33 Refunds shall be made to the consumer and lienholder of
79 34 record, if any, as their interests appear. If applicable,
79 35 refunds shall be made to the lessor and lessee as follows: the

80 1 lessee shall receive the lessee's cost less a reasonable
80 2 offset for use, and the lessor shall receive the lease price
80 3 less the aggregate deposit and rental payments previously paid
80 4 to the lessor for the leased vehicle. If it is determined
80 5 that the lessee is entitled to a refund pursuant to this
80 6 chapter, the consumer's lease agreement with the lessor is
80 7 terminated upon payment of the refund and no penalty for early
80 8 termination shall be assessed. The department of revenue

80 9 shall refund to the manufacturer any use tax or fee for new
80 10 registration which the manufacturer refunded to the consumer,
80 11 lessee, or lessor under this section, if the manufacturer
80 12 provides to the department of revenue a written request for a
80 13 refund and evidence that the use tax or fee for new
80 14 registration was paid when the vehicle was purchased and that
80 15 the manufacturer refunded the use tax or fee for new
80 16 registration to the consumer, lessee, or lessor.

80 17 Sec. 101. Section 322G.12, unnumbered paragraph 1, Code
80 18 2007, is amended to read as follows:

80 19 A manufacturer who accepts the return of a motor vehicle
80 20 pursuant to a settlement, determination, or decision under
80 21 this chapter shall notify the state department of
80 22 transportation, report the vehicle identification number of
80 23 that motor vehicle within ten days after the acceptance, and
80 24 obtain a new certificate of title for the vehicle in the
80 25 manufacturer's name pursuant to section 321.46. In obtaining
80 26 a new certificate of title, the manufacturer shall title the
80 27 vehicle in the county of the transferor's residence and shall
80 28 be exempt from the registration fee requirements of section
80 29 321.46. ~~For purposes of chapter 423, a manufacturer's~~

~~80 30 acceptance of the return of a motor vehicle, as described in~~
~~80 31 this section, shall not be considered "use", as defined in~~
~~80 32 section 423.1 and the fee for new registration under section~~
80 33 321.105A. The new certificate of title, and all subsequent
80 34 registration receipts and certificates of title issued for the
80 35 motor vehicle, shall contain a designation indicating that the
81 1 motor vehicle was returned to the manufacturer pursuant to

81 2 this chapter or a similar law of another state. The state
81 3 department of transportation shall determine the manner in
81 4 which the designation is to be indicated on registration
81 5 receipts and certificates of title and may determine that a
81 6 "REBUILT" or "SALVAGE" designation supersedes the designation
81 7 required by this paragraph and include the "REBUILT" or
81 8 "SALVAGE" designation on the registration receipt and
81 9 certificate of title in lieu of the designation required by
81 10 this paragraph.

81 11 Sec. 102. Section 326.2, Code 2007, is amended by adding
81 12 the following new subsection:

81 13 NEW SUBSECTION. 11A. "Registration fee" means the annual
81 14 motor vehicle registration fee imposed pursuant to section
81 15 321.105, unless otherwise specified.

81 16 Sec. 103. Section 327I.26, Code 2007, is amended to read
81 17 as follows:

81 18 327I.26 APPROPRIATION TO AUTHORITY.

81 19 Notwithstanding section 423.43, and prior to the
81 20 application of section 423.43, subsection ~~1~~ 2, ~~paragraph "b",~~
81 21 there shall be deposited into the general fund of the state
81 22 and is appropriated to the authority from ~~eighty percent of~~
81 23 the revenues derived from the operation of section 423.26, the
81 24 amounts certified by the authority under section 327I.25.
81 25 However, the total amount deposited into the general fund and
81 26 appropriated to the Iowa railway finance authority under this
81 27 section shall not exceed two million dollars annually. Moneys
81 28 appropriated to the Iowa railway finance authority under this
81 29 section are appropriated only for the payment of principal and
81 30 interest on obligations or the payment of leases guaranteed by
81 31 the authority as provided under section 327I.25.

81 32 Sec. 104. Section 331.557, subsection 3, Code 2007, is
81 33 amended to read as follows:

81 34 3. Collect the use tax on vehicles subject to registration
81 35 only to a certificate of title and on manufactured housing as
82 1 provided in sections section 423.14, and section 423.26, and
82 2 423.27, subsection 1.

82 3 Sec. 105. Section 423.5, subsection 3, Code 2007, is
82 4 amended to read as follows:

82 5 3. The use of leased vehicles, if the lease transaction
82 6 does not require titling or registration of the vehicle, on
82 7 the amount subject to tax as calculated pursuant to section
82 8 423.27 423.26, subsection 2.

82 9 Sec. 106. Section 423.36, subsection 8, paragraph b,
82 10 subparagraph (2), Code 2007, is amended to read as follows:

82 11 (2) Taxes imposed under sections section 423.26 and 423.27
82 12 and chapter 423C.

82 13 Sec. 107. Section 423.57, Code Supplement 2007, is amended
82 14 to read as follows:

82 15 423.57 STATUTES APPLICABLE.

82 16 The director shall administer this subchapter as it relates
82 17 to the taxes imposed in this chapter in the same manner and
82 18 subject to all the provisions of, and all of the powers,
82 19 duties, authority, and restrictions contained in sections
82 20 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
82 21 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
82 22 423.32, 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
82 23 423.40, 423.41, and 423.42, section 423.43, subsection ~~3~~ 1,
82 24 and sections 423.45, 423.46, and 423.47.

82 25 Sec. 108. Section 423B.4, unnumbered paragraphs 2 and 3,
82 26 Code 2007, are amended to read as follows:

82 27 Payment of a local vehicle tax shall be evidenced by a
82 28 notation on the state registration certificate. The director
82 29 of the department of transportation shall prescribe by rule
82 30 the type of notation. A local vehicle tax shall not be
82 31 refunded even when annual state registration fees are
82 32 refunded.

82 33 Penalties for late payment which are comparable to the
82 34 penalties for late payment of annual state registration fees
82 35 shall be imposed by the ordinance imposing a local vehicle
83 1 tax. Willful violation of a local vehicle tax ordinance is a
83 2 simple misdemeanor.

83 3 Sec. 109. Section 455D.11C, subsection 1, Code 2007, is
83 4 amended to read as follows:

83 5 1. A waste tire management fund is created within the
83 6 state treasury. Moneys For the fiscal year beginning July 1,
83 7 2002, through the fiscal year beginning July 1, 2006, moneys
83 8 received from each five dollar surcharge on the issuance of a
83 9 certificate of title shall be deposited as provided in section
83 10 321.52A, subsection 2 Code 2007. Notwithstanding section
83 11 8.33, any unexpended balance in the fund at the end of each
83 12 fiscal year shall be retained in the fund. Notwithstanding

83 13 section 12C.7, any interest or earnings on investments from
83 14 moneys in the fund shall be credited to the fund. Moneys from
83 15 the fund that are expended by the department in closing or
83 16 bringing into compliance a waste tire collection site pursuant
83 17 to section 455D.11A and later recouped by the department shall
83 18 be credited to the fund.

83 19 Sec. 110. Section 455G.3, subsection 1, Code 2007, is
83 20 amended to read as follows:

83 21 1. The Iowa comprehensive petroleum underground storage
83 22 tank fund is created as a separate fund in the state treasury,
83 23 and any funds remaining in the fund at the end of each fiscal
83 24 year shall not revert to the general fund but shall remain in
83 25 the Iowa comprehensive petroleum underground storage tank
83 26 fund. Interest or other income earned by the fund shall be
83 27 deposited in the fund. The fund shall include moneys credited
83 28 to the fund under this section, section ~~423.43~~ 424.7,
83 29 subsection ~~± 4~~, paragraph "a", and sections 455G.8, 455G.9,
83 30 and 455G.11, Code 2003, and other funds which by law may be
83 31 credited to the fund. The moneys in the fund are appropriated
83 32 to and for the purposes of the board as provided in this
83 33 chapter. Amounts in the fund shall not be subject to
83 34 appropriation for any other purpose by the general assembly,
83 35 but shall be used only for the purposes set forth in this
84 1 chapter. The treasurer of state shall act as custodian of the
84 2 fund and disburse amounts contained in it as directed by the
84 3 board including automatic disbursements of funds as received
84 4 pursuant to the terms of bond indentures and documents and
84 5 security provisions to trustees and custodians. The treasurer
84 6 of state is authorized to invest the funds deposited in the
84 7 fund at the direction of the board and subject to any
84 8 limitations contained in any applicable bond proceedings. The
84 9 income from such investment shall be credited to and deposited
84 10 in the fund. The fund shall be administered by the board
84 11 which shall make expenditures from the fund consistent with
84 12 the purposes of the programs set out in this chapter without
84 13 further appropriation. The fund may be divided into different
84 14 accounts with different depositories as determined by the
84 15 board and to fulfill the purposes of this chapter.

84 16 Sec. 111. Section 455G.6, subsection 4, Code 2007, is
84 17 amended to read as follows:

84 18 4. Grant a mortgage, lien, pledge, assignment, or other
84 19 encumbrance on one or more improvements, revenues, asset of
84 20 right, accounts, or funds established or received in
84 21 connection with the fund, including revenues derived from the
84 22 ~~use tax environmental protection charge~~ under section ~~423.43~~
84 23 ~~424.7~~, subsection ~~± 4~~, paragraph "a", and deposited in the
84 24 fund or an account of the fund.

84 25 Sec. 112. Section 455G.8, subsection 2, Code 2007, is
84 26 amended to read as follows:

84 27 2. ~~USE TAX ENVIRONMENTAL PROTECTION CHARGE~~. The revenues
84 28 derived from the ~~use tax environmental protection charge~~
84 29 imposed under chapter ~~423, subchapter III~~ 424. The proceeds
84 30 of the ~~use tax environmental protection charge~~ under section
84 31 ~~423.43~~ 424.7, subsection ~~± 4~~, paragraph "a", shall be
84 32 allocated, consistent with this chapter, among the fund's
84 33 accounts, for debt service and other fund expenses, according
84 34 to the fund budget, resolution, trust agreement, or other
84 35 instrument prepared or entered into by the board or authority
85 1 under direction of the board.

85 2 Sec. 113. Section 321.115, subsection 1, as enacted by
85 3 2007 Iowa Acts, chapter 143, section 12, is amended to read as
85 4 follows:

85 5 1. A motor vehicle twenty-five years old or older may be
85 6 registered as an antique vehicle ~~upon payment of~~. ~~The annual~~
85 7 ~~registration fee is~~ the fee provided for in section 321.113,
85 8 321.122, or 321.124. The owner of a motor vehicle registered
85 9 under this subsection may display authentic Iowa registration
85 10 plates from the model year of the motor vehicle, furnished by
85 11 the person and approved by the department, in lieu of the
85 12 current and valid Iowa registration plates issued for the
85 13 vehicle, provided that the current and valid Iowa registration
85 14 plates and the registration card issued for the vehicle are
85 15 simultaneously carried within the vehicle and are available
85 16 for inspection to any peace officer upon the officer's
85 17 request.

85 18 Sec. 114. 2007 Iowa Acts, chapter 179, section 6, is
85 19 amended to read as follows:

85 20 SEC. 6. Section 423.57, Code 2007, as amended by this Act,
85 21 is amended to read as follows:

85 22 423.57 STATUTES APPLICABLE.

85 23 The director shall administer this subchapter as it relates

85 24 to the taxes imposed in this chapter in the same manner and
85 25 subject to all the provisions of, and all of the powers,
85 26 duties, authority, and restrictions contained in sections
85 27 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
85 28 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
85 29 423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,
85 30 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
85 31 ~~3~~ 1, and sections 423.45, 423.46, and 423.47.
85 32 Sec. 115. Section 423.44, Code 2007, is repealed.
85 33 Sec. 116. PRIOR USE TAX LIABILITY. The enactment of this
85 34 division of this Act does not affect a person's liability for
85 35 any use tax, penalty, or interest owed by the person prior to
86 1 the effective date of this division of this Act.
86 2 Sec. 117. EFFECTIVE DATE. The section of this division of
86 3 this Act amending 2007 Iowa Acts, chapter 179, takes effect
86 4 January 1, 2009.

86 5 EXPLANATION

86 6 This bill allocates moneys to the transportation moves the
86 7 economy in the twenty-first century (TIME=21) fund from new
86 8 revenues generated from increases in motor vehicle and trailer
86 9 registration fees, title fees, and driver's license fees. The
86 10 bill also replaces the use tax on motor vehicles with a
86 11 registration fee imposed at the time of application for
86 12 registration and certificate of title for a vehicle.

86 13 DIVISION I == MOTOR VEHICLE REGISTRATION FEES. The bill
86 14 requires the treasurer of state, prior to distributing moneys
86 15 under the road use tax fund formula, to credit to the TIME=21
86 16 fund the amount collected from motor vehicle registration fees
86 17 that is in excess of \$346 million annually. The provision
86 18 crediting revenues to the TIME=21 fund is repealed, and new
86 19 revenues will revert to the road use tax fund, on June 30,
86 20 2028. Pursuant to current law, the TIME=21 fund is scheduled
86 21 to be dissolved on that date.

86 22 The bill requires that most 2010 and newer model year motor
86 23 trucks with an unladen weight of 10,000 pounds or less be
86 24 registered for a fee based on the weight and value of the
86 25 vehicle. Currently, such trucks are registered for a flat fee
86 26 based on combined gross weight. Under the bill,
86 27 business-trade trucks will continue to be registered for a
86 28 flat fee. The bill defines "business-trade truck" as a motor
86 29 truck with an unladen weight of 10,000 pounds or less that is
86 30 owned, leased, or used by a person who files a schedule C or
86 31 schedule F form for federal tax purposes, that is eligible for
86 32 depreciation for federal tax purposes, or that is owned,
86 33 leased, or used by a person engaged in a business or trade and
86 34 regularly used for hauling certain items for that business or
86 35 trade or owned, leased, or used by a person engaged in the
87 1 production of farm products with a value of at least \$1,000
87 2 annually. A person who registers a vehicle as a
87 3 business-trade truck shall be required to provide proof or
87 4 certify by signed affidavit that the vehicle meets the
87 5 qualifications for such registration.

87 6 Passenger vehicles are registered for a fee that is based
87 7 on the weight and value of the vehicle: 1 percent of the
87 8 vehicle's value plus 40 cents for each 100 pounds of weight of
87 9 the vehicle. Currently, the amount of the fee that is based
87 10 on value is reduced to 75 percent of the rate as fixed when
87 11 the vehicle was new if the vehicle is more than five model
87 12 years old and 50 percent if the vehicle is more than six model
87 13 years old. When the vehicle is nine model years old or older,
87 14 the registration fee drops to \$35. In addition, certain older
87 15 vehicles that fall under prior fee schedules pay more modest
87 16 fees of \$16, \$23, or \$27. The bill provides an expanded
87 17 schedule for fee reductions as follows: When the vehicle is
87 18 more than seven model years old, the amount of the fee based
87 19 on value is 75 percent of the rate as fixed when the vehicle
87 20 was new; when the vehicle is more than nine model years old,
87 21 that amount is 50 percent; when the vehicle is 12 model years
87 22 old or older, the fee drops to \$50. However, under the bill,
87 23 if the registration fee under the new rate schedule is higher
87 24 than the owner paid for the same vehicle in the previous
87 25 registration year, the fee will be the fee from the previous
87 26 year. The owner of a vehicle currently paying a fee of less
87 27 than \$50 will continue to pay that fee for as long as they own
87 28 the vehicle. The fee for a vehicle registered by the owner as
87 29 an antique vehicle prior to January 1, 2009, will be \$23 for
87 30 models 1970-1983 and \$16 for model years 1969 and older.

87 31 Fees for special trucks for farm use, which are registered
87 32 for a gross weight of six tons through 32 tons, are increased
87 33 under the bill. For a gross weight of six tons, the fee is
87 34 increased from \$80 to \$100; for a gross weight of seven tons,

87 35 from \$100 to \$125; and for a gross weight of eight tons, from
88 1 \$120 to \$155. Fees for special trucks with a gross weight of
88 2 nine through 18 tons are established as follows: nine tons,
88 3 \$170; 10 tons, \$190; 11 tons, \$205; 12 tons, \$225; 13 tons,
88 4 \$245; 14 tons, \$265; 15 tons, \$280; 16 tons, \$295; 17 tons,
88 5 \$305; and 18 tons, \$315. The fees are effective beginning
88 6 with the 2009 registration year.

88 7 The bill also revises the flat fee schedule for motor
88 8 trucks registered for a combined gross weight, including
88 9 business=trade trucks. For a combined gross weight of three
88 10 tons or less, the fee is increased from \$65 to \$150.
88 11 Registration fees for a combined gross weight exceeding three
88 12 tons and up to eight tons are increased as follows: For more
88 13 than three tons but not more than four tons, the fee is
88 14 increased from \$80 to \$150; for more than four tons but not
88 15 more than five tons, from \$90 to \$160; for more than five tons
88 16 but not more than six tons, from \$105 to \$170; for more than
88 17 six tons but not more than seven tons, from \$130 to \$180; and
88 18 for more than seven tons but not more than eight tons, from
88 19 \$165 to \$190. The new fees apply for vehicles registered by a
88 20 new owner for a 2009 or subsequent registration year. Current
88 21 owners will continue to pay the fee they paid for the 2008
88 22 registration year for as long as they own the vehicle.

88 23 This division of the bill takes effect January 1, 2009, and
88 24 applies to vehicles registered for registration years
88 25 beginning in 2009 and subsequent years.

88 26 DIVISION II == DRIVER'S LICENSE FEES. The bill increases
88 27 the fee for a noncommercial driver's license from \$4 to \$7 per
88 28 year of license validity, for a chauffeur's license from \$8 to
88 29 \$13 per year of license validity, and for a commercial
88 30 driver's license from \$8 to \$13 per year of license validity.
88 31 The additional fee required for a license valid for the
88 32 operation of a motorcycle is increased from \$1 to \$2 per year
88 33 of license validity.

88 34 The bill requires the treasurer of state, prior to
88 35 distributing moneys under the road use tax fund formula, to
89 1 credit monthly to the TIME=21 fund an amount equal to the
89 2 revenues attributable to the increase in driver's license
89 3 fees. The provision crediting revenues to the TIME=21 fund is
89 4 repealed and new revenues will revert to the road use tax fund
89 5 on June 30, 2028. Pursuant to current law, the TIME=21 fund
89 6 is scheduled to be dissolved on that date.

89 7 DIVISION III == TITLE FEES. The bill increases the fee
89 8 charged for issuance of a certificate of title from \$10 to
89 9 \$20. The fees for a salvage certificate of title and for a
89 10 title for a motor vehicle returned to a manufacturer are
89 11 increased from \$2 to \$10.

89 12 The bill requires the treasurer of state, prior to
89 13 distributing moneys under the road use tax fund formula, to
89 14 credit monthly to the TIME=21 fund an amount equal to the
89 15 revenues attributable to the increase in title fees. The
89 16 provision crediting revenues to the TIME=21 fund is repealed
89 17 and new revenues will revert to the road use tax fund on June
89 18 30, 2028. Pursuant to current law, the TIME=21 fund is
89 19 scheduled to be dissolved on that date.

89 20 DIVISION IV == TRAILER REGISTRATION FEES. The bill
89 21 increases the fee charged for registration of trailers.
89 22 Currently, most trailers other than farm trailers and trailers
89 23 registered for the combined gross weight of the vehicle are
89 24 subject to a \$10 registration fee. The bill increases the fee
89 25 to \$20 for such trailers with an empty weight of 2,000 pounds
89 26 or less, and \$30 for such trailers with an empty weight in
89 27 excess of 2,000 pounds.

89 28 The bill requires the treasurer of state, prior to
89 29 distributing moneys under the road use tax fund formula, to
89 30 credit monthly to the TIME=21 fund an amount equal to the
89 31 revenues attributable to the increase in trailer registration
89 32 fees. The provision crediting revenues to the TIME=21 fund is
89 33 repealed and new revenues will revert to the road use tax fund
89 34 on June 30, 2028. Pursuant to current law, the TIME=21 fund
89 35 is scheduled to be dissolved on that date.

90 1 This division of the bill takes effect January 1, 2009, and
90 2 applies to trailers registered for registration years
90 3 beginning in 2009 and subsequent years.

90 4 DIVISION V == TIME=21 FUNDING ANALYSIS. The bill requires
90 5 the department of transportation to analyze additional
90 6 revenues necessary to provide at least \$200 million annually
90 7 to the TIME=21 fund by FY 2011=2012, including an analysis of
90 8 sources of revenue to create a balance of taxes and fees paid
90 9 by Iowa drivers and out-of-state drivers. A report of the
90 10 analysis is required to be submitted to the governor and the

90 11 general assembly on or before December 31, 2009.

90 12 DIVISION VI == USE TAX ON MOTOR VEHICLES REPEALED == FEE

90 13 FOR NEW REGISTRATION IMPOSED. This division of the bill

90 14 eliminates the imposition of the use tax on motor vehicles

90 15 subject to registration and the use tax on leased motor

90 16 vehicles, provides alternate sources of revenue for purposes

90 17 currently funded from revenues derived from the motor vehicle

90 18 use tax, and establishes a one-time motor vehicle registration

90 19 fee called the "fee for new registration".

90 20 PART 1 == ROAD USE TAX FUND. Currently, there are several

90 21 purposes for which motor vehicle use taxes are allocated which

90 22 are not eligible under Iowa's constitution for funding from

90 23 motor vehicle registration fees. The bill addresses those

90 24 funding needs as follows:

90 25 1. Prior to allocation from the road use tax fund, an

90 26 amount equal to 10 percent of the revenue collected from the

90 27 fee for new registration on vehicles other than leased motor

90 28 vehicles is to be credited to the primary road fund to be used

90 29 for the commercial and industrial highway network.

90 30 2. An amount equal to 4 percent of the revenue collected

90 31 from the fee for new registration is to be credited for

90 32 purposes of public transit assistance from revenues derived

90 33 from driver's license fees, title fees, and title fee

90 34 surcharges.

90 35 3. An amount equal to \$1 per year of license validity for

91 1 each issued or renewed driver's license valid for the

91 2 operation of a motorcycle shall be credited to the motorcycle

91 3 rider education fund from revenues derived from driver's

91 4 license fees, title fees, and title fee surcharges.

91 5 4. Amounts required to be transferred from the sale of

91 6 special motor vehicle registration plates for the various

91 7 purposes associated with those plates are to be credited from

91 8 revenues derived from driver's license fees, title fees, and

91 9 title fee surcharges.

91 10 5. Amounts required for certain projects on bridges over

91 11 rivers bordering the state, which are not eligible for funding

91 12 from the road use tax fund, may be credited to the primary

91 13 road fund from funds derived from trailer registration fees.

91 14 6. Deposits of up to \$17 million per year to the Iowa

91 15 petroleum underground storage tank fund are to be made

91 16 directly from revenues derived from the environmental

91 17 protection charge imposed upon petroleum diminution.

91 18 7. Amounts of up to \$2 million per year for payments on

91 19 obligations certified by the railway finance authority and

91 20 lease payments guaranteed by the authority continue to be

91 21 available from use taxes under the bill.

91 22 The bill provides that revenues from the automobile rental

91 23 excise tax may be used to supplement the funding available to

91 24 meet the statutory requirements for public transit assistance,

91 25 the motorcycle rider education fund, and purposes of special

91 26 registration plates.

91 27 PART 2 == FEE FOR NEW VEHICLE REGISTRATION. The bill

91 28 establishes a new vehicle registration fee, referred to as the

91 29 "fee for new registration", which amounts to 5 percent of the

91 30 purchase price of a vehicle subject to registration, or 5

91 31 percent of the leased price for each vehicle subject to

91 32 registration with a gross vehicle weight rating of less than

91 33 16,000 pounds, excluding motorcycles and motorized bicycles,

91 34 which is leased for 12 months or more. The imposition of the

91 35 fee for new registration is subject to the same exemptions

92 1 currently applicable to the use tax on vehicles. The bill

92 2 provides that the computation of a vehicle's purchase price

92 3 for purposes of the fee for new registration mirrors the

92 4 computation of "sales price" under current use tax provisions.

92 5 The director of revenue, in consultation with the department

92 6 of transportation, shall administer and enforce the fee for

92 7 new registration as nearly as possible in conjunction with the

92 8 administration and enforcement of the use tax law.

92 9 The fee for new registration is payable to the county

92 10 treasurer at the time application is made for a new

92 11 registration and certificate of title for a vehicle. As is

92 12 currently the case with the vehicle use tax, the county

92 13 treasurer shall retain \$1 from the collection of a fee for new

92 14 registration, to be deposited in the county general fund. The

92 15 bill provides a mechanism for collection of the fee by

92 16 licensed vehicle dealers at the time a vehicle is purchased

92 17 and provisions for obtaining a refund of a fee. The bill

92 18 provides that a person who makes a false statement regarding

92 19 the purchase price of a vehicle commits a fraudulent practice

92 20 and is subject to the same penalties that applied for purposes

92 21 of the use tax on vehicles.

92 22 PART 3 == MOTOR VEHICLE USE TAX == REPEAL. The bill
92 23 repeals the use tax on vehicles subject to registration and
92 24 the motor vehicle lease tax, except for the tax on the use of
92 25 leased vehicles if the lease transaction does not require
92 26 titling and registration of the vehicle. The use tax on
92 27 vehicles subject only to a certificate of title, which applies
92 28 to mobile homes, and on manufactured homes is retained under
92 29 the bill. The resulting revenue is deposited into the road
92 30 use tax fund.
92 31 PART 4 == CONFORMING AMENDMENTS. The bill contains
92 32 conforming amendments to the Code relating to provisions in
92 33 the bill.
92 34 LSB 6422XC 82
92 35 dea/nh/24.2